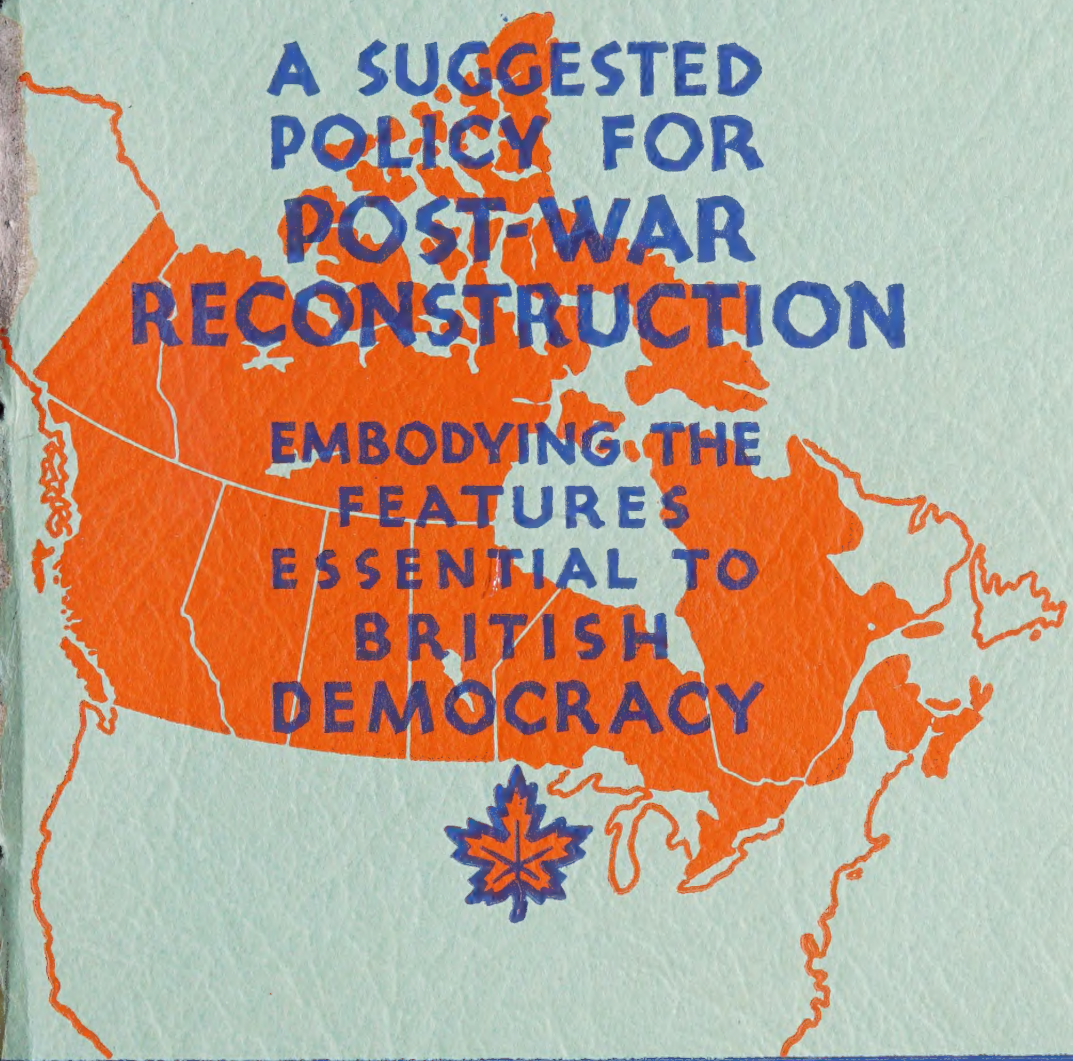
PREPARE NOW



A SUGGESTED POLICY FOR POST-WAR RECONSTRUCTION

EMBODYING THE FEATURES ESSENTIAL TO BRITISH DEMOCRACY

SECURITY · FREEDOM · SOVEREIGNTY

"If as free men and women freely co-operating we cannot plan and then lay down the foundations of our new society, then our cause is lost indeed. But it is of course the whole argument of this book that we can, and that no other kind of action will give us the society we want. Forceful and wise leadership will come; already there are signs that the ordeal of total war is revealing its presence, for already we hear, and especially in badly bombed areas, of new men; but when it comes it will come, like so much else of supreme value, out of the people. Years ago, in his startling vision of a new world, Whitman said it for us:

"Everything comes out of the people, everyday people, the people as you find them and leave them; people, people, just people!"

—"*Out of the People*," by J. B. PRIESTLEY.

AL. I 55, A 18, 1945-58

ERRATA

Page 8—Second line of Clause 2 in body of resolution should read: "all the resources of Canada . . ."

Page 23—Third line of second paragraph in preamble should read: "decreasing manpower requirements . . ."

Page 57—Fifth line should read: "to the respective elected bodies."

Page 61—Fifth word in second line from the bottom of page should read: "systems."

Page 71—Under "Constitutional Issues": Should read: "An Inter-provincial Conference . . ."

1943

Digitized by the Internet Archive
in 2022 with funding from
Legislative Assembly of Alberta - Alberta Legislature Library

AL. I 55. A 18. 1945. S8

PREPARE NOW!

A Suggested Programme of Post-War Reconstruction Embodying the Features Essential to British Democracy

●

Alberta Province, Canada

1943

TABLE OF CONTENTS

Introduction 3

Part I.

General Post-War Reconstruction Resolution . . . 6

Part II—Positive Resolutions.

1. Return of Our Fighting Forces 14
2. Agriculture 18
3. Unemployment Work and Wages 21
4. National Health 25
5. Education 27
6. Transfer of Wartime to Peacetime Industry . 30
7. Financing Post-War Reconstruction 32
8. Inflation and Deflation 35
9. Public Debts 38
10. Private and Industrial Debts 41
11. Natural Resources Development 45
12. International Relations 48
13. Foreign Trade 51
14. Immigration 54
15. Constitutional Issues 56

Part III—Negative Resolutions.

1. National Socialism 61
2. Compulsory Insurance Schemes 64
3. "Union Now" Proposals 66

Part IV—Synopsis 70

INTRODUCTION

Purpose of This Booklet.

The resolutions which form the basis of this booklet were adopted at a public conference on Post-War Reconstruction held in Edmonton. They are submitted to the People of Canada as a practical contribution towards mobilizing and crystallizing public opinion on this vitally important question.

At the present time we hear a great deal about the New Democratic Order which is to emerge from the war, yet no definite proposals for the establishment of that new order have emanated from any quarter. Such indefinite proposals as have been put forward provide only patchwork measures designed to bolster up the tottering and thoroughly discredited financial and economic systems, which, during the pre-war years inflicted upon the people of all countries widespread poverty, general insecurity and flagrant social injustice. They are in striking contrast to the high-sounding platitudes which accompany them.

The suspicion, apathy and sense of frustration regarding Post-War Reconstruction which are in evidence today are not only a detriment to the essential task of the national war effort, but constitute a formidable obstacle to the achievement of those ideals for which the British Empire is fighting.

In a democracy the people, as the supreme constitutional authority, are responsible for everything which is done in their name. The privileges of democracy carry with them corresponding responsibilities, and any people who neglect them inevitably lose their privileges. History has proven this time and again. Unless the people of Canada recognize this fact and assume full responsibility for Post-War Reconstruction, they are unlikely to get the kind of reconstructed financial and economic systems they want. Too many powerful vested interests, intent upon very different objectives to those desired by the people as a whole, will be only too eager to mould the post-war world to their liking.

Democratic Reform.

Moreover, it is the supreme duty of the people of Canada to use their constitutional authority to make sure that when the men of the fighting forces return, it will be to a country worthy of their sacrifices. Therefore, the foundations of a new post-war order must be established **now.** If we wait until the war has ended it will be too late. This fact is generally conceded.

In designing post-war reconstruction, it is important that it be the kind of social order which **all** the people want. It is the essence of democracy that it should yield the people the results they desire. In the past our democratic institutions have failed to achieve this. Let us make sure that in the future we obtain the full benefit of the properly functioning democracy for which we are fighting—the kind of democracy which will give the people the security and the freedom they should enjoy.

In order to gain that, any programme of Post-War Reconstruction must have the united support of the overwhelming majority of the people. It must come **out of the people,** and it is an issue above all party or sectional considerations. The will of the people as a whole must be mobilized and expressed in definite terms. Only thus can we bring about a democratic—a truly democratic—reform of the social structure.

Not only is it necessary for the people to state in terms of definite results, the kind of Post-War Reconstruction they want, but it is obligatory for them to organize if they wish to insist on obedience to their wishes. It is impossible for a number of individuals to gain any objective they want without organization—and this is as true of a democratic electorate as it is of doctors, lawyers and factory workers who organize to get their objective.

It is for the purpose of helping the people of Canada to formulate a definite programme of reconstruction that this booklet is being issued. The proposals submitted in the various resolutions are not put forward dogmatically. They merely form a basis which appears to meet the vaguely expressed wishes of the people, and will naturally

be subject to modification as the will of the people becomes crystallized into definite reconstruction measures.

The issues involved being above party politics, party political considerations should not be permitted to thwart nor obstruct the progress of the essential task of Post-War Reconstruction. May the People of Canada rise to the great challenge which faces our country at this critical time. The opportunity is theirs if they will but seize it.

PART I

General Post-War Reconstruction Policy

The dominating task confronting Canada is to put forth the maximum effort towards winning the war. There is general agreement on this issue.

At the same time there is a widespread realization that effective action must be taken **now** to prepare for the transition from war to peace and the establishment of a reconstructed democratic post-war order. Many prominent men are warning us that if we wait until victory is won to start building "a new order" it will be **too late.** All the problems which are accumulating under the stress of war conditions will come crashing down upon us like an avalanche.

To the growing uneasiness of the people that this vital question of Post-War Reconstruction is being neglected, is added the fear that the controls, regimentation and bureaucracy being introduced as war-time measures will become so strongly entrenched that they will be continued after the war. In short there is an increasing fear that in fighting the totalitarianism of Nazi Germany, we are becoming enmeshed in the toils of a totalitarian system of our own making.

Moreover, the experience of the past few decades casts an ominous shadow over the future. That is why democratic people everywhere are worrying about the post-war period. They have fought wars in the past, each one more costly and more destructive than the one that preceded it. They have won victories in the past, only to find that the fruits of victory were more bitter for the victors than they were for the vanquished. Major wars ended, but the world was never at peace. Minor wars have flared up incessantly, while those nations, who, for the time being, were not engaged in military conflict, grimly carried on bitter and ruthless economic warfare often as destructive as military war. Could war be more destructive than the depression period when cotton, fruit, live stock and other great stores of wealth were ruth-

lessly sabotaged while millions of people starved or became victims of disease from want of the very life-giving foods being destroyed?

The period between major wars was marked by recurring booms and slumps. Each period of so-called prosperity was milder than its predecessor. Each depression was more severe than the one preceding it. The breadlines became longer, unemployment increased, more business men were ruined, and more homes were lost to their owners. People became less and less secure while economic slavery increased. Is it any wonder that there is widespread concern lest the end of the war will be the beginning of a new cycle of disasters to culminate again a few years hence in another and more destructive world conflict?

While the men of the fighting forces press forward on the military front in a life and death conflict to preserve our democratic institutions and the integrity of the British Commonwealth, they look to the people on the home front to carry out the task of laying strong foundations **now** for the new democratic order for which they are making such sacrifices. That is a responsibility which rests fairly and squarely on every Canadian. No one can escape it, and no one can remain indifferent to it without breaking faith with the husbands, sons and daughters who have donned the King's uniform in the service of the country and for the ideals they love more dearly than life itself.

The choice before each of us is either to turn our backs upon this responsibility and permit the situation to drift towards the threatening disaster or to be true to our trust and fulfil our responsibility as citizens of a democracy.

The essential feature of democracy is that the people should decide the results they want from the management of their affairs. This entails mobilizing the united will of the people in terms of the results they want in common.

Actually the overwhelming majority of Canadians are united in the broad results they want in a reconstructed post-war democracy. As yet these have not

been stated in the form of a definite programme of reconstruction. The resolution which follows is intended to outline in general terms such a programme. As the will of the people is mobilized, so it will be possible to evolve a statement of results in more definite terms.

The Resolution

GENERAL POST-WAR RECONSTRUCTION POLICY

WHEREAS the men of our fighting forces are looking to the people in Canada to ensure that when they return to the country for which they are willing to sacrifice their lives it will be worthy of the high democratic ideals for which they are fighting; and

WHEREAS the focus of the war is thus centred in post-war reconstruction, and it is essential to national unity and the high degree of national morale necessary for a total war effort that the entire nation should be imbued with complete confidence regarding the democratic post-war order for which we are fighting; and

WHEREAS it is essential that the foundations of such a post-war order shall be laid now so that it is in readiness to cope adequately with the problems of reconstruction and rehabilitation:

THEREFORE, BE IT RESOLVED that we hereby adopt the following policy as reflecting the will of the people of Canada, embodying the desires of our fighting forces and providing a basis for enabling the people to unite in asserting their constitutional democratic authority:

1. Preservation of the sovereign integrity of Canada as a member of the British Commonwealth of Nations.

2. During the continuance of the war the mobilization of all the resources Canada by the most efficient means for a total war effort and without unnecessary bureaucracy or infringement of the democratic rights of citizens.

3. The establishment of a reconstructed democracy as the basis of the post-war order, under a publicly controlled monetary system and with the maximum of freedom from bureaucracy and state-dominated regimentation, and which will ensure that the people of Canada obtain the conditions they want from the government and management of their affairs.

4. Full provision to ensure that after the war the men of our fighting forces and their dependents will have the guarantee of adequate economic security with freedom, and will receive preferential assistance in re-establishing themselves in the economic life of the country with the opportunity to enjoy land and homes of their own.

5. A comprehensive and adequate scale of social dividends, free from the odious bureaucratic features of Compulsory and Contributory State Insurance Schemes, and which will provide the individual citizen with a basic minimum standard of living including food, clothing, shelter, health and education, thereby removing the threat of destitution in unemployment, sickness, disability or old age.

6. A comprehensive reform of the economy to provide:
   (a) Adequate wage scales, combined with a system of family allowances, to maintain a standard of living in keeping with the vast resources of Canada.
   (b) A reconstructed price structure under which farmers and other primary producers, manufacturers and distributors will be enabled to recover their operating costs and obtain a reasonable return for their services, and consumers will be assured of just prices.
   (c) Recognition of agriculture as the basis of the national economy, with provision to ensure remunerative prices, orderly and equitable marketing conditions and protection of land tenure.
   (d) Facilities for the unrestricted development of the country's resources for the benefit of the people.
   (e) The elimination of private monopoly control.

7. A comprehensive reform of the financial system to provide:
   (a) That Parliament shall exercise full and effective control over the monetary system, including exclusive control over the issue of all currency and credit in accordance with the will of the people.
   (b) That the issue of money shadd be so ordered and managed as to prevent the evils of either deflation or inflation.
   (c) That money required to finance government projects, in peace or in war, shall be issued by the government without debt to the nation.
   (d) That adequate monetary facilities shall be available to finance the programme of reconstruction.
   (e) That taxation shall be drastically and systematically reduced.

8. An equitable adjustment of the debt structure and the abolition of usury as a means of exploitation of the people.

9. Adequate protection for organized labour and the extension throughout Canada of the recognition by law of the right of collective bargaining.

10. Comprehensive home-building programmes and the provision of public utility services throughout rural areas.

11. The highest possible standard of health and educational services secured by means of adequate grants to local authorities.

1. "Sovereignty" may be defined as "supreme authority." The Statute of Westminster (1931) gave Canada supreme authority in the management of her own affairs; that is to say, Canada's sovereign integrity, as an independent member of the British Commonwealth of Nations, was recognized. Canada now has the power to establish an ideal democracy. The people of Canada must, therefore, uncompromisingly oppose any proposals, such as are being freely suggested from many quarters, that would transfer any measure of Canada's essential sovereignty to any international authority. The basis of democracy is sovereignty, and the loss of sovereignty would mean the destruction of democracy.
2. The Canadian people know that an all-out war effort and an early victory cannot be achieved without a certain measure of regimentation. The war, however, must not be used as a pretext for the introduction of bureaucratic rules and regulations that are not actually related to the successful prosecution of the war. Unavoidable regimentation can only be tolerated while the war is in progress and must be discontinued thereafter, for regimentation is incompatible with democratic freedom.
3. The control of the issue of money and credit by a private monopoly is the underlying cause of the breakdown of democracy as we know it. Governments are compelled to obey the dictates of the financiers to whom they must go when they require money, consequently they are unable to carry out the will of the people who elected them. All people earnestly long for true democracy, the only form of government that can give them the results they want. That ideal can only become a reality when public control of money and credit replaces the present private monopoly control.

   Public control must be differentiated from so-called "State Control." There is a wide gulf between the two concepts. State control and dictatorship go

hand in hand. A dictator may control the issue of money and credit but does not necessarily issue them in a manner that will give the people the results they want. In fact the people need not be consulted at all, in which case money may be issued for the express purpose of enslaving people and enhancing the power of the dictator. On the other hand, "public control" of money and credit is the essence of true democracy, for the people must then be consulted regarding the policy that governs the issue of money. If the people's policy demands security for all, then the government is compelled to bend and shape the monetary system to give them that result.

4. The debt of gratitude we owe to the men in our armed forces cannot be assessed and cannot be repaid in dollars and cents. When they return they will not be so concerned about the way **we feel** as they will be about what **we have done** to enable them to find a satisfactory place in the life of the nation and to enjoy the security and freedom for which they fought. The least the people of Canada can do for their fighting men is to give them the guarantee **now** that, upon their return, they will receive incomes sufficient to provide them and their depedants a comfortable standard of living, the opportunity to acquire land and homes of their own if they so desire, and the opportunity to become engaged in the occupation of their choice.

5. The main purpose of organized society is to provide greater security **with freedom,** for its individual members. Through organization, man can change scarcity to abundance. The old economy denies those who cannot work, a share in that abundance. The post-war economy must recognize every Canadian as a shareholder in that greater organization we call the Canadian nation and, as such, he is entitled to an equitable share in the abundance created by the action. That share should be at least a minimum standard of living that will provide a comfortable sufficiency of food, fuel, clothing and

shelter together with health services and education, especially for those who are unable to work.

6. How will the economy be reformed? This is a question sometimes asked by the individual who wants to see a blue print of the new economy before he will agree that the old one is leading us to disaster. The detailed methods that may be used should not be the concern of the average citizen, but rather should be the responsibility of those employed by the government because their technical knowledge and ability qualifies them to undertake the task. All that need concern the individual is knowledge that the real wealth of the nation makes it physically possible to provide its citizens with a comfortable standard of living, fair wages and remunerative prices for farm products, or whatever other results are reasonable and desirable.

7. Public control of the policy governing the issue of money and credit is absolutely essential if that which is physically possible and desirable is to be made financially possible. Parliament must, therefore, exercise effective control of the monetary system. It then becomes the task of the men employed by the government for that purpose, to so revise and expand the monetary system that it becomes an efficient and effective means of promoting the welfare of all the people of Canada and free from the evils inherent in the present private monopoly control.

8. It is generally recognized that a fair adjustment must be made in the huge debts which handicap agriculture, industry and other branches of our national economy, including the enormous and rapidly pyramiding public debts. All these debts have been caused by the operation of our present monetary system, under which every dollar of money is issued to the public as a debt to be repaid to the banking institutions and usury has become entrenched as an essential feature of the system. The effect of this growing debt burden, with its increasing interest toll, is to enslave the individual citizen to a few creditor institutions. By a proper

reform of the monetary system it will be possible to remove the cause of this evil, but we shall have to deal with the existing accumulation of debts. The adjustment of these should be fair and equitable so that they are brought within the ability of debtors to liquidate and should not impose any avoidable hardship or loss on individuals.

9. The right of collective bargaining is now established by law in one or two provinces. The time may come when a scientific economy will automatically do away with the need for collective bargaining in matters of wages and salaries. Even if this happens organized labour will still need to exercise vigilance over working conditions in industry.

10. We have in Canada the men, materials and skill necessary to provide modern homes for all individuals. There but remains to devise an economy that can bring the men, materials and skill together, not only to provide modern homes for all, but also to utilize the vast resources of coal, oil, gas and water power to provide those who live in rural areas with modern conveniences.

11. Health and education must be considered as national responsibilities without interfering with the advantages of local autonomy in these important spheres. Every Canadian must have access to adequate health services and educational facilities in the post-war economy. Education merely as a means of making a living must give way to a comprehensive programme for the development of physical, mental, moral and spiritual manhood.

Only enlightened people can exercise intelligently their democratic rights and privileges, and continue to maintain their sovereignty. Since we have abundant resources, we should have the facilities for developing a healthy and well educated nation. An economic order that will abolish poverty, the chief cause of ill-health, and make accessible to all the highest possible standards of health and educational services, will constitute the stepping stone to the highest form of civilzation the world has ever known.

PART II

Positive Resolutions

The resolutions in this section deal in greater detail with the definite positive policies suggested as a basis of post-war reconstruction. They are in contrast to the resolutions in Part III which deal with policies incompatible with democracy and the traditional British ideals. In other words the *Positive* Resolutions in this section outline policies submitted for the approval of the people, whereas, the *Negative* Resolutions in the next section direct attention to policies *against which* the people should take a determined stand.

THE RETURN OF OUR FIGHTING FORCES

What do the people of Canada owe to the men of our fighting forces? No material consideration can repay them even in a measure for the sacrifices they have made to ensure the security and freedom of the people of this nation. Money cannot pay for the loss of life, physical disability or the ravages of mental and spiritual anxiety which is the price paid for our freedom by the men in the fighting forces.

Democracy is an ideal which has never been fully achieved by this or any other nation. The men in our fighting forces wish to return to a democratic Canada which is much closer to that ideal than it was when they left it. The democracy to which they return must not only assure them of the limited freedoms of speech and of worship, but also a full measure of economic security with freedom. It is the privilege as well as the duty of the people of Canada to see to it **now** that at least in so far as the men in our fighting forces are concerned, that ideal of a functioning democracy has been established. Only in this way can we hope to compensate them for the sacrifices they have made.

Our soldiers, sailors and airmen are fighting to safeguard our democratic ideals and to preserve the sovereign integrity of this nation. Let us then assure them that upon their return, they may have the opportunity to own a share of the land they fought to save, and to share in the wealth they saved from the greedy clutches of aggressor nations. Moreover, let us guarantee them their

right to share in the heritage of culture and scientific progress which they have saved from destruction. The resolution which follows, states concisely the broad principles that should govern the treatment of our returned men, according them every opportunity to find a useful and satisfactory place in the life of the nation.

RESOLUTION No. 1

The Return of Our Fighting Forces

WHEREAS the people of Canada owe to the men of our fighting forces a debt of gratitude which transcends any other debt claims that may emerge from the war; and

WHEREAS the men of our fighting forces are very properly looking to the people at home to see that when they return it will be to a country worthy of their magnificent courage, their unstinting sacrifices and the ideals for which they are fighting; and

WHEREAS the carrying out of this obligation constitutes an essential responsibility confronting all Canadians and a vital aspect of the national war effort; and

WHEREAS the inadequate measures being adopted by Parliament for the rehabilitation of our returned fighting men are neither a credit to Canada nor do they reflect the wishes of the people:

THEREFORE, BE IT RESOLVED that the minimum measures for the rehabilitation of the men of our fighting forces and their dependants shall be:

1. (a) **On demobolization, persons who have served in the Canadian armed forces or merchant marine shall, while domiciled in Canada, receive a monthly income equivalent to not less than the full pay and all allowances including subsistence, for a private in the army, for a period of not less than three years, to enable the individual to become established in the economic life of the country.**

   (b) **Thereafter they shall receive a monthly income (irrespective of any earned income) sufficient to ensure adequate basic economic security for the family against loss of income through any cause whatever.**

2. **Disability pensions to be in addition to the foregoing and to be granted in all cases of disablement from any cause whatever during service in the armed forces or merchant marines.**

3. Financial assistance upon equitable terms, including interest-free loans, for the purpose of acquiring land, for becoming established in business or for becoming established in any other remunerative undertaking requiring capital.

4. Dependants of persons who have been killed in action and of persons who have died while serving in the armed forces and merchant marine shall be provided with a pension equivalent to not less than the full benefits under Clause 1(a) during the life time of the mother or widow and, in the case of children until they become 18 years of age, when they shall be eligible for a specal allowance to complete their education.

5. All residents of Canada who have served in the Canadian armed forces or merchant marine shall be provided with medical and hospitalization services free without deduction from the benefits being received under Clauses 1 and 2.

6. Adequate provision to be made for the dependants of persons who have served in the armed forces or merchant marine, and have died since their discharge.

The war has demonstrated beyond question that Canada can equip the men of her fighting forces with extremely costly instruments of destruction and, in addition, can provide these men and their dependants with that economic security which no one seems to have had the conviction nor the courage to give them in times of peace. It can no longer be maintained that we cannot provide them with economic security when peace comes.

The establishment of a proper economy in Canada would make possible a high standard of living for every citizen and the degree to which that standard could be raised would be limited only by Canada's productive capacity. What that standard may be, can be determined when a survey has been made of Canada's ability to produce goods and services, entirely apart from any money considerations. The above resolution, therefore, proposes for our returned men a standard of living which must be considered as **a minimum only**—a minimum which has already been amply demonstrated as practical and possible. As the New Economy develops that minimum would, as a matter of course, be raised progressively to higher levels.

The injustices suffered by the veterans of former wars were often due to involved regulations and restrictions, created to prevent the spending of money, which, it was claimed, could not be found to provide our returned men and their dependants with the security they so richly deserved. Since it can no longer be maintained that the necessary funds cannot be found, unfair restrictions and regulations of that nature need not again be enacted. The shameful spectacle of disabled veterans competing in the labour market in order to supplement inadequate pensions, or to replace pensions lost through some trivial technicality, need never again disgrace our Canadian way of life. Dependants of men who have given their lives in the defence of Canada need never again be compelled, because of some penny-saving regulation, to struggle for existence in a land of plenty.

The men in our armed forces are today provided, without charge, with necessary medical services including hospitalization, inoculation against disease and the best of dental and optical attention. Many of these services were beyond the means of most of them in pre-war days. Further, every precaution is exercised by way of physical training, education, proper diet and environment to maintain the highest possible health standards. Here again we have abundant proof that if it can be made financially possible to provide our fighting men with all necessary health services in war time, it can also be made financially possible to assure them adequate health services in times of peace.

There are two methods which can be used to make it financially possible to give the returned men security. The first is the method now used to provide them with all the requirements already mentioned, that is, by debt and taxation which they themselves will have to share when they return. The alternative is the establishment of a publicly controlled financial system which can provide the necessary money without debt to the nation. Money, so distributed to re-establish our returned men, would be one effective means of equating purchasing power and prices in the aggregate, thus preventing a post-war depression.

The principles embodied in the above resolution, therefore, do not constitute an Utopian dream, but rather the least the Canadian people can offer to their brothers, husbands and sons, upon their victorious return from war. Nothing could be more potent in building up the morale of our fighting forces than this knowledge—that the Ideals for which they fight Today are now becoming the realities of that Victorious Tomorrow.

* * *

AGRICULTURE

The importance of Agriculture in the national economy can easily be appraised. It is readily apparent that every industry, every business and every individual is dependent on agriculture for existence. During pre-war depression years, the majority of our farmers worked without pay to produce the wealth so necessary to our livelihood, because prices for farm produce hardly paid the costs of production. Yet, during those critical years, practically nothing was done to save Canada's basic industry from its threatening collapse. Many farmers were compelled to exhaust their credit and assume the position of serfs in order to survive. Debts incurred when money was more plentiful, had to be repaid when money was scarce. The farmer, hopelessly debt-ridden, struggled on, working long hours, exploited on every side, facing the natural hazards of weather conditions and crop failure, and living in constant fear of losing his home and land. No industry except one manned by hardy fighters of the calibre of Canadian farmers, could have survived such treatment.

Nevertheless, the agricultural industry did survive the ordeal though it was badly crippled and when war broke out, the weakened condition of agriculture constituted a real handicap to the successful prosecution of the war. Canada must continue to provide tremendous quantities of foodstuffs for the United Nations until Victory is won and, after that, Canada's production will be urgently needed to feed a hungry world. Action must, therefore, be taken **now** to establish a National Agricultural Policy that will not only make it economically

possible for the farmer to carry on the tremendous task so essential to victory and peace, but will establish Agriculture on a sound and prosperous basis as the foundation of the national economy.

RESOLUTION No. 2

Agriculture

WHEREAS agriculture is the basic industry and the foundation of the national economy; and

WHEREAS the first consideration in establishing a sound, progressive and prosperous post-war order must be a virile and flourishing agricultural industry; and

WHEREAS the plight in which agriculture is floundering owing to the disastrous treatment it has received during the pre-war depression years has undermined the stability of the national war-time economy and has become a serious obstacle to the essential preparation which must be made at once for post-war reconstruction; and

WHEREAS the national policy of crop and live stock production and marketing has been most unsatisfactory and hopelessly haphazard:

THEREFORE, BE IT RESOLVED that in preparation for the post-war economy immediate action be taken to provide for:

1. Prices of farm products at point of delivery to be raised to a parity with prices of manufactured goods on the basis of the relative price levels in 1926 and the relative ratio of profit over the average production costs.

2. A definite and orderly long range policy (including non-contributory crop insurance), for crop and live stock production.

3. Adequate low-cost credit for agricultural purposes.

4. An equitable re-adjustment and settlement of all farm debts giving the farmer security of tenure.

5. Adequate marketing facilities free from manipulation and monopoly control.

AND BE IT FURTHER RESOLVED that early action be taken to provide, as a basis for a reconstructed agricultural economy, a system of land tenure which will preserve all the benefits and advantages of private ownership for the occupant and at the same time remove the evils of gambling in land values, unrestricted exploitation, and the dangers of monopoly control, to the end that land shall be recognized, used and preserved as the greatest asset of the community.

The farmer cannot be expected to produce indefinitely at prices below the cost of production. This state of affairs can only lead to the collapse of agriculture and all other industries with it. A National Agricultural Policy must, therefore, be establsihed at once, which will provide that the farmer will receive at the point of delivery, prices for his produce that will afford him a margin above the cost of production. That will assure him economic security and a fair return for his labour.

Many of the economic ills affecting agriculture were attributed to over-production. This has been demonstrated since the outbreak of war to be a fallacy. It is true, however, that a definite and orderly policy of production has been lacking. The National Agricultural Policy must provide for ways and means of determining, as accurately as possible, the quantity and type of production necessary to satisfy the needs of the people, both for their own use and for the purpose of exchanging with other nations for those products which cannot be economically produced at home. The farmer must then be informed in good time of future requirements, thus avoiding waste of effort or the over-production of one product at the expense of other products more urgently needed.

A comprehensive agricultural policy must be based on a scientific reform of the monetary system to the end that farmers may be provided with the credit they need without the debt-perpetuating and impossible restrictions of the present economy. Debts incurred under the old regime must be considered as the wreckage of the old system, to be cleared away in a fair and orderly manner and as rapidly as possible, so that they may not interfere with the establishment of the new economy.

Credit is the power that sets in motion the wheels of industry. An orderly and scientific flow of credit into the agricultural industry will bring about the creation of an increasing abundance of new wealth. The National Agricultural Policy must therefore provide credit facilities on such terms that the better returns which the farmer will receive for his production, will enable him to repay loans and maintain his credit effectively.

In order that the agricultural policy might be stabilized, the farmers must be freed from exploitation by parasitic groups who profit by manipulating the prices of farm products. Such groups add nothing to the wealth of the nation, but by exercising a monopoly control, they are able to make farmers the helpless victims of artificially fluctuating marketing conditions.

An agricultural policy cannot be complete unless it protects the farmers against the loss of his land and home. The present financial system has destroyed the democratic principle of the right of every citizen to private ownership of his land and home. The National Agricultural Policy will be based on a new system of land tenure which will ensure that, unless the farmer voluntarily relinquishes his ownership in the land, it will remain his as long as he desires. Security with freedom for the farmer must be established now as the foundation of a flourishing agriculture in the reconstructed Canada that will follow victory.

* * *

UNEMPLOYMENT, WORK AND WAGES

In dealing with Post-War Reconstruction we should keep clearly before us the conditions which existed during the pre-war depression years. The outstanding features of that period were the existence of widespread poverty side by side with unemployed manpower and idle resources, while primary producers, manufacturers and merchants alike were faced with the problem of being unable to sell vast quantities of goods which people wanted but could not buy.

Men in high places, to whom the people looked for leadership, sought to deal with the problem by trying "to cure unemployment." They thought that by "putting the unemployed to work" it would be possible to distribute the goods which could not be sold, and thus remove poverty with all its evil effects. However, they were met by two insuperable difficulties.

In the first place, while employment resulted in incomes being distributed, it resulted also in more goods being produced. Therefore, industry found it impossible to sell the goods it produced with the result that production had to be curtailed again. Men were laid off work, unemployment increased and incomes decreased, making matters worse than before.

In the second place national leaders have ignored the far-reaching revolution which has taken place in the field of production. During the last two hundred years, mankind has learned how to harness steam and electric power to huge machines to do the work which formerly required the labour of hundreds of men. All industrial development has been directed towards progressively eliminating human toil from production and replacing it with power-driven machinery. Science and improved organization have aided in this process. Thus we are able to produce more and more with fewer and fewer workers. This should have resulted in greater security and more leisure for everybody.

However, as workers in industry have been displaced by power-driven machines, these men have lost their incomes, with the result that **the more** we have been able to produce, **the less** people have been able to buy. And therein to a great extent, lies the explanation of the unemployment and "poverty amidst plenty" of the pre-war years.

A system which, on the one hand, is directed towards eliminating employment and, on the other hand, insists that employment is the only condition under which a person can obtain an income to give him a share in the increased production, is manifestly absurd. It can result only in inefficiency, chaos and suffering.

Therefore, in a reconstructed post-war order, it is essential that this question be faced realistically, and that ways and means be devised for distributing the security and leisure made possible by modern power-production methods. This can be done only by bringing the monetary system, under which incomes are distributed, into harmony with the trend of industrial progress.

RESOLUTION No. 3

Unemployment, Work and Wages

WHEREAS the whole trend of modern power-driven machine production is to progressively eliminate human labour from industry, and to transfer the toil of producing goods and services from the backs of men to machinery; and

WHEREAS this progress results in a rapidly increasing ability to produce goods and services, and with it steadily increasing manpower requirements, which cause unemployment; and

WHEREAS under the present monetary system the purchasing power of the people is dependent, in the final analysis, upon the wages, salaries and profits distributed by industry in the production and distribution of goods; and

WHEREAS this dependence inevitably results in the distribution of steadily diminishing purchasing power as power driven machinery and improved methods replace manpower requirements, even though the capacity to produce is thereby being rapidly expanded; thus resulting in a conflict of purpose between the methods of distributing purchasing power and the labour-saving trend of industry; and

WHEREAS the purpose of economic activity should be to provide the greatest possible measure of security with freedom for the largest number of people, the purpose of the monetary system should be to facilitate the production and distribution of wanted goods and services to this end, and the purpose of work in the economic sphere should be to enable this production and distribution to be carried out:

THEREFORE, BE IT RESOLVED that in the post-war economy it is essential that:

(a) The true purpose of employment should be recognized and that it no longer be regarded as the only means by which the vast majority of men and women can obtain purchasing power.

(b) Full production to provide the goods and services wanted by the people, and not full employment, be the economic objective, and the increasing economic security and leisure made possible by the progressive displacement of manpower by power-driven machines be distributed to the people.

(c) Salaries and wages on an adequate basis be recognized as remuneration for services rendered and, as such, shall not constitute the only source of income.

(d) Every citizen be guaranteed a basic income, apart from work and wages, in the form of non-contributory pensions, family allowances and other forms of social dividends sufficient

to assure him economic security, with freedom, and these shall increase with production and as the need for manpower is displaced by machinery and improved processes.

(e) The foregoing payments to individuals be financed by the issue of debt-free money by a State authority by means which will preclude the evils of either deflation or inflation.

(f) The increasing leisure made possible by the improving methods of production be distributed:

(i) By extending the time and opportunity for education and preparatory training at one end, and decreasing the retirement pension age at the other end of the life period.

(ii) By shorter hours of work.

(iii) By progressively diverting effort to the development of the arts and sciences, and to the expansion of cultural pursuits.

(iv) By providing facilities for the use of leisure in improving the national culture, morale and general well-being.

(g) The principle of equal pay for equal work be recognized and the right of labour to collective bargaining be guaranteed by law in accordance with the wishes of organized labour.

Many confuse the meaning of the terms "leisure" and "idleness." The two terms are by no means synonymous. Neither does it follow that a person who has leisure must be idle. Persons who are unemployed usually have no incomes, and being without money, they cannot use their leisure time very profitably, for it requires money to make good use of leisure. Education, recreation and hobbies all require the spending of money. The unemployed individual is therefore compelled, by economic considerations, to remain idle.

A reconstructed economy will transfer labour from man to machines as rapidly as possible. At the same time it will increase man's leisure and provide him with the money necessary to make good use of it. Given the opportunity, our citizens would improve themselves physically and mentally through education and healthful recreation. Many, too, would contribute through the proper use of their leisure to the advancement of Canadian knowledge and culture.

* * *

NATIONAL HEALTH

The health of every individual should be looked upon as a national resource in times of war; moreover, the healthy individual is able to make the greatest contribution to production and to the arts and sciences in times of peace. The physical well-being of every individual must therefore be recognized as a responsibility of the nation. That responsibility is acknowledged at the present time in so far as the men in our armed forces are concerned, for these men are provided with proper nourishing food, suitable environment and effective physical training, as well as all necessary medical services, free of charge. We claim that a comprehensive National Health Policy should therefore include **all** health measures and moreover that every citizen is entitled to have access to these regardless of his financial means.

Poverty, leading to malnutrition, insanitary slum conditions, drudgery and mental anxiety, is a direct cause of physical degeneration. Economic insecurity among those who live above the poverty level encourages a false economy. Such people through fear, starve themselves, or resort to cheap remedies rather than attempt to pay for proper health services.

It is to be noted that because of a rising demand on the part of the people of Canada for health services available to all, suggestions of compulsory and contributory state health insurance schemes have come from various quarters. Such schemes involve the undesirable features of higher taxes, compulsion and regimentation. They are, therefore, undemocratic and economically unsound. The following resolution offers as a democratic alternative, a National Health Policy based on sound economic principles.

RESOLUTION No. 4

National Health

WHEREAS the health of the nation is a primary consideration in the welfare of the people; and

WHEREAS the attainment of the highest possible standard of national health should be a dominant national objective; and

WHEREAS the greatest contributory factors to ill-health are poverty and economic insecurity, leading to improper nourishment, worry, the lowering of national morale and the neglect of physical culture; and

WHEREAS the best possible sickness preventive measures as well as medical and hospitalization services should be available to every citizen, irrespective of his means; and

WHEREAS all so-called State Health Insurance schemes involve wage taxation, increased prices, government bureaucracy, compulsion and regimentation—thereby impairing the economic security of the individual and adding to his worries to the further detriment of his health:

THEREFORE, BE IT RESOLVED that the following national health policy be embodied as an integral part of any post-war reconstruction of the social system:

1. Poverty to be abolished by every citizen being assured a minimum basic income which will be sufficient to provide economic security in unemployment, sickness, disability or old age under a reformed monetary system scientifically adjusted to serve an economy of abundance.

2. A non-contributory system of national health services under which every citizen, irrespective of his means, will be assured access to any necessary sickness prevention and any requisite medical or hospital care, free from any government bureaucratic regimentation of patients, doctors, or hospital authorities.

3. Adequate grants for the maintenance of hospitals, for curative services and for all measures of sickness prevention, including research.

4. Encouragement of voluntary mutual schemes of sickness insurance, supplementary to national health services, for occupational groups, communities and others.

5. The systematic introduction of the principle of payment for keeping people in good health instead of placing the medical profession in the unenviable position of benefiting only in proportion to the ill-health of the nation.

6. Physical culure to be promoted as an essential aspect of the national life.

AND BE IT FURTHER RESOLVED that we deplore the present tendency to ignore the foregoing essentials in favour of State-dominated, bureaucratic and ineffectual schemes of Compulsory Sickness Insurance.

A comprehensive and practical National Health Policy cannot be formulated unless it is based on the reform of the monetary system. Medical supplies, equipment, hospitals and all manner of health services

are available. Only the means of payment for these services is lacking. Poverty and economic insecurity must, therefore, be abolished. The economic system should be geared up to provide the individual and the state with the means of payment for health services, thus removing the need for taxation, compulsion or regimentation.

The principle of paying doctors to keep people well is a departure from generally accepted ideas on health. This principle is being applied to some extent by local authorities who now pay doctors to carry out preventive measures, such as, the physical examination of school children, etc. It is possible progressively to broaden the application of this principle to the point that every person employed in the field of health may receive bonuses over and above regular incomes and, in proportion to the results obtained, in improving the health of the nation. Thus, in the new economy, those who are entrusted with the task of building a healthier nation would be assured of economic security and the added incentive of greater remuneration for outstanding service.

The provision of proper health services to the people of Canada, being largely a financial problem, must be met by financial reforms. The incentive to commercialize ill-health can then be replaced by the incentive to create a race of healthy Canadians. Thus the new economic order will be reflected in the abundant health and physical vigour of the Canadian people.

* * *

EDUCATION

The present great store of human knowledge is the result of thousands of years of thought, toil and experience on the part of the world's thinkers, scientists and philosophers. This cultural heritage has been passed down to us through the ages as a common inheritance available to all who make an effort to appropriate some of its great potentialities. The function of our educational system is to assist in making the world's knowledge accessible to all, that they may enjoy a full and richer life.

The oppressive financial domination under which we have existed for centuries has diverted modern education from its true purpose and has warped the individual's attitude towards it. The chronic lack of funds for educational purposes, on the one hand, and the poverty and economic insecurity of the people on the other, have led to a restriction in the scope of education which has confined it to its dollars and cents value. The chief aim of education has been to train the youth of the nation to make a living and acquire money, and to perpetuate the idea that a man's success is to be measured by the bank balance which he has accumulated. The man who invented the electric motor, but who died poor, was considered a failure, while the man who manipulated the stock market and acquired a million was considered a success.

A reconstructed economy devised to serve the needs of a land of plenty will, in itself, change the individual's attitude towards education. He will choose to develop the art or science towards which his natural talents lead him rather than to seek only to acquire money. Training for leisure will become as important as training for work. Physical, moral and spiritual development will assume an importance equal to that of mental development in education, and training in the practical application of Christian ethics in every phase of national life will occupy a prominent place in the educational curriculum of the future.

The thirst for knowledge exists in every human heart. It is the urge that leads to all progress and the ultimate realization of man's highest ideals. In the past access to educational facilities has been denied to many because of financial conditions. The child that leaves school at an early age to accept employment, in order to supplement the meagre earnings of the head of the household, is denied education for economic reasons, even though his desire to develop his God-given talents, if given free expression, would contribute immeasurably to the welfare of the nation. In the aggregate this is a tremendous waste of potential wealth. All economic barriers to education must, therefore, be removed in

post-war Canada. The knowledge we now possess may be sufficient to initiate the new economic order, but it will require an enlightened youth to perpetuate and enhance this great achievement.

RESOLUTION No. 5

Education

WHEREAS education is the means by which the cultural heritage of the nation is developed and transmitted from one generation to the next; and

WHEREAS every adult citizen and child is an heir by right to the nation's cultural heritage and, therefore, should have unrestricted and reasonable access to the highest possible standard of education; and

WHEREAS the State being the custodian of this cultural heritage should maintain the teaching profession at a standard which is compatible with this high responsibility.

THEREFORE, BE IT RESOLVED that, without impairing provincial authority over and responsibility for education, the following measures be adopted in the post-war education system of Canada:

1. Every child when qualified shall have access to the highest possible standard of education including university and technical courses, irrespective of financial means.

2. The duties and responsibilities of citizenship in a Christian democracy shall form an essential feature of all education.

3. Parents shall be encouraged in deciding broad educational policy without interfering in its administration.

4. Education shall be comprehensive in scope, covering spiritual, physical, moral as well as mental development.

5. Adult education shall be developed as an essential feature of the system, it being recognized that the individual's education is never complete.

6. Special attention shall be given to the cultural aspects of education both for adults and children with particular reference to leisure time activity.

7. Adequate grants-in-aid on the basis of "weighted population" shall be provided by the responsible federal authority, supplemented by provincial grants, for the maintenance of the highest possible standard of education, including the erection and upkeep of buildings—schools, universities, technical colleges. etc.

8. The teaching profession shall be systematically raised to the position it should occupy by making it a privileged career enjoying special opportunities for persons with outstanding qualifications.

In the field of education, as well as elsewhere, it would be futile to suggest objectives that are impossible of attainment. Is it possible to provide educational facilities for all those whether young or old who desire them and are capable of absorbing education?

Canada possesses almost inexhaustible supplies of material for the purpose of building schools, and for the manufacture of equipment and educational supplies. There are numbers of intelligent men and women from whom we can secure a supply of teachers of the highest order, and there is enough real wealth in Canada to provide the means of elevating the teaching profession to the position it should occupy.

From this point of view, the educational results advocated in the foregoing resolution, are quite attainable. In fact, it is probable that a few years hence, they will seem quite modest when considered in the light of an unrestricted economy of abundance.

* * *

TRANSFER FROM WARTIME TO PEACETIME INDUSTRY

The productive capacity of a nation at war, particularly one that has escaped actual invasion, is always greatest at the conclusion of hostilities. Yet the ending of past wars has marked the beginning of a period of depression. During a war, man-power, inventive genius and industry are all geared to full capacity because there is then a market for both war supplies and goods for civilian use. War materials are consumed whether individuals have purchasing power or not, and their manufacture results in the distribution of sufficient incomes to create a ready demand for civilian goods. At the conclusion of hostilities, however, industry is required to supply the needs of the one market only.

With demobilization of the fighting forces and the closing of war industries, thousands of wage earners are deprived of their jobs and incomes. This is naturally followed by a tremendous decrease in the purchasing

power of the people and by a disastrous slump in the demand for necessary goods. This, in turn, causes the closing down of more industries and consequent unemployment. And so a vicious cycle is begun that brings untold misery to millions of people. We must not permit history to repeat itself when this war ends. The resolution which follows outlines the steps to be taken now to avoid a repetition of the painful experience of the past.

RESOLUTION No. 6

Transfer of Wartime to Peacetime Industry

WHEREAS the present war is resulting in a tremendous increase in the productive capacity of Canadian industry; and

WHEREAS our present industrial output for destructive war purposes is evidence of the ability of our industries to produce an equal abundance of goods for constructive peace time use; and

WHEREAS there will be a disastrous industrial collapse at the end of the war unless careful preparation is made for the systematic conversion of industry from wartime to peacetime production; and

WHEREAS the population of Canada would require a great volume of industrial products to maintain the standard of living which the resources of Canada make physically possible, and to which our people are, therefore, entitled; and

WHEREAS the shortage of purchasing power resulting from the restrictions of our present private monopoly-controlled money system is the reason that, in peace time, our people were unable to buy the products of industry and consequently production had to be curtailed; and

WHEREAS this state of affairs cannot be permitted to continue in the post-war period;

THEREFORE, BE IT RESOLVED:

1. That a complete survey should be made forthwith to ascertain the nature and volume of the products of industry which will be required by the Canadian people to rehabilitate themselves after the war, and to raise their standard of living to the level which our natural resources consistently can maintain.

2. That a complete survey of Canadian War Industries should be made to determine the adaptability of each to the production of those peace time requirements, and to plan and prepare the steps necessary to bring about that conversion in each case at the end of the war.

3. That a survey should be made of the possible foreign markets which may be available at the end of the war, and the place of Canadian industry in the rehabilitation of those countries whose industries have been destroyed or disorganized as a result of the war.

4. That as a step essential to the satisfactory establishment of Canadian industry on a peace time basis the control of currency and credit should be removed from the present private monopoly and restored to Parliament, and that Parliament should so order the financial policy of Canada as to make available sufficient money for the financing of post-war rehabilitation and reconstruction, and to assure the consuming public of sufficient purchasing power to enable them to enjoy a standard of living limited only by the productive capacity of industry and the natural resources of the country instead of by a man-made scarcity of money.

The essential steps which will lead to a solution of the post-war transition problems are set out quite clearly in the clauses of the foregoing resolution. In brief, they advocate: (1) estimating the needs of the people and the possibilities of industry being able to supply those needs, and (2) making the financial arrangements necessary to effect the desired results. There should be sufficient money made available to convert war factories to production of peace time requirements in order to bring about further development of the immense and varied natural resources of Canada, and to provide the consuming public with sufficient purchasing power.

Thus transition from war time to peace time industry can be effected in an orderly fashion and without suffering to anyone. The economic adjustments necessary must be made **now** so that the day war ends, reconstruction processes can immediately begin without the loss of one day's work or one day's pay for any able bodied individual. When this is done, we can look forward to the end of the war with the confident assurance that all the sacrifices and suffering will not have been in vain.

* * *

FINANCING POST-WAR RECONSTRUCTION

The financial system was obviously the weak link in the economy of pre-war years and responsible for most, if not all, of the tragic results suffered by the nation. A lack of money restricted the operation of the machinery

of production to full capacity, and prevented the consumption of that which was being produced. Whenever we requested better results it was not a question of "Where can we find the goods and services?", but always "Where will the money come from?". Besides producing the paradox of "poverty in the midst of plenty," the system burdened us with ever increasing debt, taxation and bureaucratic regimentation of our daily lives.

Having to face the emergency of total war has done a great deal to clarify the situation. Never again should the inference be accepted that the supply of money is necessarily limited. The present stepping-up of production must be continued and diverted to supplying consumable goods at the close of this conflict.

The objective should be to make financially possible that which is physically possible and desirable. Those who have determined financial policy in the past have been more concerned about the welfare of their financial institutions than the prosperity and happiness of the people. There is no need of dispensing with our present banking machinery or its personnel, which are quite capable of producing the desired results if so directed. This can be done by the appointment of a National Finance Commission responsible to the people of Canada through the House of Commons.

Once arrangements have been made whereby currency and credit can be issued in a scientific and realistic manner under the supervision of a body of individuals who can be held responsible for results by the electorate, the solution of the money problem will be possible. Money for all governmental purposes would be provided interest free and debt free, removing once and for all further accumulations of public debt. Taxation would be required only if the accounting, at any time, revealed a surplus of purchasing power. Individuals and corporations would be able to obtain money at cost for financing the production of desired goods and services. Whenever the national accounting revealed a shortage of purchasing power it would be the duty of the Commission to have the corresponding amount of money issued and distributed equitably to consumers.

RESOLUTION No. 7

Financing Post-War Reconstruction

WHEREAS the pre-war financial system proved itself totally inadequate to serve the needs of an abundant economy, and spread poverty, insecurity, unemployment and debt throughout all the countries in which it operated, thereby causing economic havoc on a disastrous scale; and

WHEREAS the rapidly increasing debt load and the crushing taxation caused by it, combined with the constant threat of inflation, are evidence that the expansion of the system to meet the needs of war cannot possibly be continued to serve the requirements of peace without wrecking the national economy; and

WHEREAS after the war a vast programme of national economic reconstruction will be essential to provide the people with a properly functioning democratic order worthy of the sacrifices which are being made by our fighting forces; and

WHEREAS the war has proved that, with the cream of the nation's man-power in the fighting forces, the production of the country can be more than doubled, and that therefore, this can be increased to even higher levels when our fighting men return and are available to help in the national production; and

WHEREAS more than half the national production is now being diverted to war purposes, (only a part of which is being financed by taxation), and that if substituted by peace time production would provide ample means for ensuring security for all Canadians; and

WHEREAS what is physically possible can, if necessary, be made financially practicable;

THEREFORE, BE IT RESOLVED that the entire programme of post-war reconstruction, covering all spheres of the national life, should be financed in accordance with the following provisions:

(a) The control of the monetary system and the issue of all currency and credit shall be vested in a National Monetary Commission responsible to the people through Parliament.

(b) All government expenditures, whether for capital development, social services, security measures or any other purpose shall be financed by the issue of money by the National Monetary Commission, without debt to the nation. Taxation shall be used for the sole purpose of withdrawing surplus purchasing power.

(c) Adequate monetary supplies shall be made available for financing construction programmes, with due regard to maintaining a proper relationship between capital production and the production of consumers' goods.

(c) Proper and scientifically adjusted safeguards shall be instituted to avoid both inflation and deflation, to maintain an orderly price structure, and to provide an adequate and equitable distribution of purchasing power.

(d) All the foregoing shall be carried out without interference with the freedom of the individual citizen.

The evils resulting from the present financial system are due to the fact that the system is operated entirely for the benefit of those who control it. Private ownership control must, therefore, be replaced by public control of the monetary system. The system can then be adjusted to operate for the benefit of all the people rather than for the few. When there is an abundance of wheat in Canada, the monetary system should be adjusted to distribute enough bread to every man, woman and child in Canada and when this has been done there should not be a large debt owing to a small group of private individuals who played no part in the growing of the wheat, the milling of the flour or the making of the bread.

Even the adjustments are made in the monetary system to give the desired results should not exclude the privilege either at any time that the mechanical invention of an X-ray machine should uncover a man with a bruised arm. That is the responsibility of the man who operates the machine and his technical assistants. It should, however, be borne in mind that the present operations of the monetary system are not managed for the benefit of the people, and it is their democratic right to demand that the system be managed in such a manner that it yields them the results which they want and which they know are physically possible and desirable.

* * *

INFLATION AND DEFLATION

It is generally admitted that through the application of modern technology we have at our disposal almost everything we require with the outstanding exception—money. Those who operate the monetary system are "bullish" whenever it is suggested that the present supply of money should be considerably

adjusted to maintain a balance as between the prices of the goods available and the purchasing power in the hands of the people. They also ignore the fact that most of our economic ills are felt most severely during periods of deflation.

Anyone familiar with the economic evils which result from both inflation and deflation will agree that neither condition is desirable. An ideal economy would provide **just enough** purchasing power to ensure the distribution of the goods and services available for the use of the people. The failure of the so-called financial experts to make sufficient money available without the undesirable consequences of inflation, debt and burdensome taxation, is to say the least, evidence of their lack of interest in the welfare of the people.

The task of making that which is physically possible, financially available to all, can be approached in an orderly and scientific manner. First of all, the purpose of money must be recognized. Money is not a commodity like bread or cheese, but is a claim on commodities. As long as **all** money issued to the community originates as a debt owing to financial institutions, there will be an increasing discrepancy between the available purchasing power of the people and the prices required to meet financial costs. The method employed for issuing money under the present system inevitably results in increasing taxation and higher prices.

By means of a scientific national accounting system, the shortage of aggregate purchasing power at any given time can be determined. The amount of money necessary to correct this condition can be made available for distribution to the community without debt or taxation. Some of this money may be distributed in various desirable ways directly to the consumers, while the remainder may be used to compensate the vendor of goods on condition he allows his customers a price discount, thus lowering prices and effectively preventing inflation. It should be emphasized that such an arrangement does not require the "fixing of prices." Price fixing is neither scientific nor economically sound and would entail endless regimentation.

If, at any time, the national accounting system reveals an excess of purchasing power over and above the aggregate prices of available goods, the surplus would be drained off by means of an equitable tax levy. Otherwise, taxation would not be necessary in a properly ordered economy. Thus it is possible to make financial arrangements that will ensure a balanced economy without any of the evils that arise from inflation or deflation.

RESOLUTION No. 8

Safeguards Against Inflation and Deflation

WHEREAS the present financial system is basically unsound in as much as it generates a chronic shortage of purchasing power, thereby causing deflation, or else it leads to all the evils of inflation, necessitating wholesale economic regimentation, if any attempt is made to provide an adequate money supply; and

WHEREAS deflation is a condition in which the available purchasing power of the people is insufficient to buy the goods for sale on the market at economic prices; and

WHEREAS inflation is a condition in which an increase in money supply in relation to available goods for sale results in a corresponding or greater rise in prices; and

WHEREAS either condition leads to economic dislocation and chaotic conditions:

THEREFORE, BE IT RESOLVED that a scientific regulation of prices be introduced as an integral part of the new publicly controlled financial system so that a balance is at all times maintained between the purchasing power in the possession of the people, on the one hand, and the total price value of the goods for sale, computed on an economic basis, on the other hand, in accordance with the following principles:

1. Any deficiency of purchasing power to be made good by issuing money directly or indirectly to consumers, in an equitable manner and free of debt, subject to the next ensuing clause.

2. Retail merchants to be authorized to sell their goods to consumers at a discount on condition that they do not exceed a fair ratio of profit on turnover, and the amounts by which goods are discounted to be refunded to retail merchants out of the fund available for distribution to consumers under Clause 1.

3. Any surplus purchasing power, i.e., money available to buy goods (and not including savings or monetary reserves) which is in excess of the total prices of goods for sale, to be withdrawn by an equitable system of taxation.

AND BE IT FURTHER RESOLVED that the responsible Federal authority shall at all times maintain accurate records of all the relevant facts in order that the foregoing measures may be carried out properly and accurately.

Consideration of the above resolution may lead the reader to believe that it advocates measures similar to those which are already in effect in Canada. The federal authorities have adopted price regulations, price discounts, bonuses of various kinds and taxation as means of preventing inflation and to meet the exigencies of war financing. There are vital differences, however, between these measures and those advocated in the resolution.

The method of financing at present is by means of debt and taxation, rather than by the issuance of debt-free money through a publicly controlled monetary system. The first method must eventually lead to disastrous consequences, while the second method can be permanent and free from the threat of collapse. The measures now in effect to provide some price discounts and bonuses are haphazard in nature and are not based on an accurate knowledge of the real wealth of the nation. The benefits so distributed are not distributed in an equitable manner, while the whole system requires the perpetual addition of new regulations involving increasing bureaucracy and regimentation to prevent its complete breakdown.

* * *

LIQUIDATION OF PUBLIC DEBTS

Any approach to the problem of public debts requires some insight into the circumstances surrounding the origin of debt. When financing new projects, governments have issued such instruments as bonds, treasury bills or debentures, which are sold to obtain the required money. Since, for the most part, all money coming into existence in Canada is issued by the banks at the cost only of the printing and book-keeping involved, these institutions, directly or indirectly, become the holders of public debt, and virtually attain the ownership of the government-issued instruments for nothing. The people of the community alone are responsible for the develop-

ment of the real wealth of the nation which gives value to government bonds, treasury notes, and debentures. Nothing contributed by the banks add to their value. Obviously, as long as this practice is continued, the richer the nation becomes in developed real wealth, the more it becomes involved in debt to the banking system—thus saddling an ever increasing burden of debt charges on future generations.

There is now general agreement that the present system of government financing does not permit the liquidation of public debts, but that does not mean that they cannot be liquidated. In brief, the government should issue money instead of bonds for the financing of all new ventures, making the accumulation of further public debt unnecessary. (The term "money" is used here to signify any form of financial credit and though it may include, it does not necessarily mean only currency). The same principle can be used in liquidating the debts of the past. The resolution below, outlines a simple formula for accomplishing this result at a reasonable rate within the bounds of physical possibility and **without inflation.** Attacking the problem in this manner involves no loss for any individual, but merely deprives institutions of powers which are dangerous to the public welfare.

RESOLUTION No. 9

Liquidation of Public Debts

WHEREAS the experience of past wars indicates that the existing methods of financing the war effort are resulting in the creation of an enormous interest-bearing debt structure which will be a burdensome liability against future purchasing power, involving crippling taxation; and

WHEREAS it is a matter of historical record that under the present financial system no nation has ever liquidated its war debt and that these debts cannot be paid as they mature without a further increase in the debt involving greater interest and greater taxation; and

WHEREAS such debt must ultimately represent, for the most part, an obligation owing to a few financial institutions and incurred as a result of an iniquitous procedure of permitting the banks to create money in the form of financial credit and to lend it directly or indirectly to the Government; and

WHEREAS under the present system all money in the possession of the public has been issued in the first instance as a debt repayable to the banking institutions, thereby making it impossible for the vast national indebtedness to be liquidated as the repayment of the debts to the banks alone would, without taking interest into account, divest the people of all their money and leave all other debt obligations outstanding; and

WHEREAS the continuance of such a system must inevitably lead to the collapse of the national economy:

THEREFORE BE IT RESOLVED that in order to avert economic collapse and general chaos, the entire public debt of the country—national, provincial and municipal—should be taken over by Public Debt Liquidation Commissions, Federal and Provincial, operating under the National Monetary Commission, and should be systematically liquidated in accordance with the following provisions:

1. Public debt instruments which are held by banks as assets against their deposit liabilities shall be retired and replaced by cash or its equivalent, and thereafter banks shall not be permitted to create and issue money in the form of financial credit except as agents for the National Monetary Commission.

2. As opportunities for investment in industry are provided, all outstanding bonds, bills and debentures will be paid off on equitable terms which will ensure that individuals incur no loss and that corporations can meet their liabilities in full.

3. Debts owing to foreign creditors shall be liquidated as foreign credits become available or as such creditors may wish to invest in the development of Canadian industry.

4. The money for all the foregoing shall be issued by the National Monetary Commission against the assets of the nation in a manner which will maintain a proper relationship between capital production and the production of consumers' goods, and will provide adequate safeguards against inflation.

Just as private debt enslaves the individual, public debt reduces any government to the status of a collecting agency for financial institutions. A government that is compelled to borrow from private vested interests can be controlled by them as a condition to the granting of a loan.

Since the general public suffers from a chronic shortage of purchasing power as a result of the operation of the present money system, governments usually find it impossible to raise enough money by taxation to carry on their administration and to pay debt charges. Therefore,

generally speaking, all governments are compelled to borrow in order to finance their activities and thereby subject themselves to the will of financial institutions. Hence they cannot obey the will of the people. **This constitutes the absolute negation of Democracy.**

There is one way, only, to release all governments from the financial fetters which bind them the moment they assume office. The control of money and credit must be restored to the people where it rightly belongs. Governments can then liquidate public debts and need never again incur them. They can then respond promptly to the will of the people and establish for the first time in history the principles of true democracy.

* * *

PRIVATE AND INDUSTRIAL DEBTS

The problem of private debt is one which has engaged the attention of governments for many years. The Greeks, recognizing the effects of a growing debt burden upon the economic welfare of mankind, declared that all debts should be cancelled every seven years. (This was also an essential feature of the Mosaic law). During the year in which the cancellation took place, several days were set aside as a period for rejoicing.

Since the control of the issue of money and credit has fallen in the hands of a private monopoly, the people have had a steadily increasing debt load thrust upon them. It has become a cancerous growth upon the body economic; and instead of our economic doctors endeavouring to eradicate the cause of the distress it engenders, they have prescribed remedies to treat the effects, with the result that though the pain is less severely felt at times by the unfortunate victim, the disease continues to take its fatal course.

In England, not so many years ago, it was considered a crime to owe money. Many honest men, who had made every effort to repay their just debts, but failed, often found themselves thrown into jail where they were forced to remain until some relative or friend had found

it possible to repay the loan. The attitude towards debt has become even more harsh since that time. During the disastrous years following the last world war, thousands of homes were forfeited to money-lending institutions as a result of mortgage foreclosures, and men, women and children were thrown out on the street and forced to seek relief. Governments have been compelled to pass debt adjustment legislation, and appoint debt adjustment boards in an endeavour to curb this inhuman treatment.

Our present money system is inherently a debt creating system, and will remain so as long as money creation continues to be a private monopoly. Before the private debt question can be finally settled, the government must assume the full and effective control over the issuance and management of all money—both currency and credit.

RESOLUTION No. 10

Private and Industrial Debts

WHEREAS the enormous debts pressing upon agriculture and secured by mortgages and agreements-for-sale which place the debtor under the constant threat of dispossession by the creditor, constitute an intolerable burden on farmers; and

WHEREAS such debts have accumulated to their present proportions, in the main, as a result of conditions beyond the farmers' control; and

WHEREAS such mortgage debts, with their burdensome interest, have been a prior charge on the inadequate incomes of farmers, with the result that they have already inflicted much hardship on agricultural communities and, in many cases, divested farmers of their original equities in their farms; and

WHEREAS the growing burden of mortgage, debentures and other forms of preferential bonded debts also constitute a prior fixed charge on industry with detrimental results on wages, prices and the interests of the community as a whole; and

WHEREAS it constitutes a threat to the stability of the national economic structure, besides being inequitable and contrary to Christian ethics, that the entire economy should be subordinated to a debt system based upon bonded instruments under which debtors, irrespective of any economic factor over which they may have no control, are subjected to the constant threat of dispossession in default of meeting fixed charges levied against their incomes for the money lent:

THEREFORE, BE IT RESOLVED that as an essential measure of post-war reconstruction the entire private debt structure be readjusted in accordance with the following provisions:

1. All forms of industrial bonded debt bearing fixed interest to be exchanged for ordinary shares of corresponding nominal value and ranking equally with existing ordinary shares.

2. All agricultural mortgage debts to be taken over by an Agricultural Credit Bank operating under the National Monetary Authority, on the following basis:

   (a) The principal amount of debts to be reduced to the original indebtedness less all payments made in excess of 3 per cent. The farmer will be required to pay this to the Agricultural Credit Bank in equitable instalments on a crop or production share basis.

   (b) The Agricultural Credit Bank will repay creditors on equitable terms which will ensure that individuals incur no loss and corporations can meet their liabilities in full.

3. All other forms of private bonded debt to be liquidated on similar equitable terms and appropriate credit facilities to be made available to this end.

We cannot have a united Canada while one group is allowed to exploit another. We cannot have a contented people while thousands are struggling to free themselves from a mire of debt. The power to exploit runs rampant as long as a small group can manipulate money in such a way as to keep the majority indebted to them. The problem will be solved, however, only when a sufficiently large body of people become accurately informed on the money question, and then unite in their demads for reform.

It is necessary to differentiate between industrial and agricultural debts because they are essentially separate problems requiring different treatment.

Industrial development has been financed mainly by the investment of savings by persons who took the responsibility of risking their money for the benefit of the people as a whole. If the venture provided the people with additional goods which they wanted and it proved successful, the investors were rewarded. If the venture was a failure it represented so much economic

waste and the investors lost their money. Provided that this system is not abused to permit excessive profit-taking at the expense of the people as a whole, and investors are adequately protected, it represents a fair and democratic means of placing the development of industry in the hands of the people themselves.

However, the money-lending interests have taken advantage of the debt creating financial system to step in ahead of genuine investors, and lend money at fixed interest rates on the security of a prior claim on the earnings and assets of industrial concerns. Thus the genuine investor has to take all the risks and receive only what is left over after the money-lenders have been satisfied. The obviously fair method of dealing with this state of affairs is to place all shareholders—ordinary, preference and debenture—on the same footing and with equal rights.

The agricultural debt problem, on the other hand, arises from individual farmers owing money to large lending corporations under mortgages and agreements for sale. These debts have gone on accumulating because of the inability of farmers to meet their debt obligations due to the collapse of the price structure for farm products. Again the farmers have taken all the risks, and in many cases have lost all the capital they invested while the equity of the mortgagors has been substantially maintained.

In a reconstructed system it is essential that agriculture be placed on a sound basis, for it is the foundation of the whole economy. Long term credit is essential to agriculture, and it will be necessary to provide this through channels which are controlled directly by the National Monetary Authority, responsible to Parliament. In order to extend such long term credits in an orderly and equitable manner, this agricultural credit institution would take over all old debts and readjust them on a basis which will be both just and within the ability of each farmer to liquidate.

However, the lending corporations and individual creditors must likewise be treated with justice, and it

will be the function of the agricultural credit institution to liquidate these debts so that individuals incur no loss and corporatons are able to meet their liabilities.

* * *

NATURAL RESOURCES DEVELOPMENT

The minerals which lie beneath the soil, the soil itself and the water power, as well as the air and sunshine above the soil, are the common heritage of the people of Canada. Moreover, the chief aim of production is consumption. Consequently, the natural resources of the nation should be developed entirely for the use of all the people and never in the sole interests of any minority or monopoly group.

The present monetary system has led to a multitude of abuses in the development of the country's resources. Since production is financed either directly or indirectly by money issued as a debt owing to a financial institution, the debt charges as well as dividends and the costs of production, must be recovered in prices. This has encouraged the creation of monopolies and the restriction of production as a means of maintaining high prices. As a result the people of Canada have been compelled to remain in need of many necessities while the raw materials for their manufacture have existed in unlimited quantities on all sides. People have suffered in our severe northern winters because of lack of fuel, though Canada has enough coal and other fuel to supply her needs indefinitely. Thousands have been obliged to live in hovels, though Canada has almost limitless supplies of building material. Many of our people have been hungry and undernourished, though Canada's soil could supply food for a population several times as great.

These deplorable conditions will continue until the national economy, and the financial system in particular, is adjusted to encourage orderly production for the sole purpose of promoting the welfare of the people.

RESOLUTION No. 11

Natural Resources Development

WHEREAS the natural resources of the country are the most precious assets of the people; and

WHEREAS the conservation and economic development of our natural resources are essential to the progress, prosperity and welfare of the nation; and

WHEREAS the abuses of wasteful exploitation, neglect of conservation, restriction of development and private monopoly control of the people's natural resources have had disastrous results on the national economy;

THEREFORE, BE IT RESOLVED that a co-ordinated policy of conservation and orderly development of our natural resources be adopted, providing for:

1. Control by a provincial land authority of all land tenure, under which the occupant, whether owner or tenant, is given security of tenure subject to the proper care, conservation and utilization of the land.

2. The orderly development of resources to meet the needs of the national economy.

3. Adequate financial facilities to ensure the proper conservation and development of natural resources.

4. Protection from monopolistic control or restriction of development by powerful vested interests.

Nearly everything that people require for the satisfaction of their material needs is derived from the land, whether it be the products of the soil or the minerals which lie beneath the soil. The control of the land by a monopoly means the control of the source of those products which the people want, which in turn is tantamount to control of the people by a form of dictatorship. Whether the monopoly is exercised by the State or by private interests is of little consequence to the individual citizen. In the former case, he is subjected to the regimentation of a government bureaucracy while in the latter case he is the victim of dictation by a group of private exploiters. In neither instance does the individual have greater access to the products of the land. Yet there are persons who seriously advocate the development of our natural resources by a state monopoly as a cure for all our economic ills.

John Citizen does not want the coal **in the coal-mine.** He wants it **in his coal bin** in the quantities and at the times he needs it. Therefore we must ensure that John Citizen can demand and obtain the kind and amount of coal he wants. This can be done most effectively by making it possible for him to obtain adequate economic voting power in the form of money and ensuring that he can always obtain coal. He must not be placed in a position where any private monopoly or government department, cluttered up by red tape, can deny him the right to that coal.

The manner in which this can be assured is by giving him the choice of buying from several independent sources all anxious to serve him—and making certain that those sources have every inducement to sell him the coal he wants, at a just price which will give them a fair reward for the service.

Therefore the problem is essentially a money problem—the money problem of enabling John Citizen to obtain the income he requires to buy the things he needs, and of ensuring that those responsible for organizing the mining of coal have adequate financial facilities to pay good wages under proper working conditions; also the money problem of ensuring that the price which John Citizen pays is fair.

Merely to transfer the mining of coal or the development of other natural resources to a group of State Bureaucrats with all the masses of regulations and red tape which would be involved, would not solve John Citizen's problem or the problem of ensuring that our natural resources were developed for the benefit of the people. As an example, it is significant that the plight of Agriculture has got steadily worse in the proportion that it has been subjected to government interference and control.

In the conservation and development of our natural resources, measures should be adopted to prevent the establishment of any private land monopoly and to ensure that farmers and others engaged in working and developing the land shall have security of tenure as well as

protection from gambling in land values and the irresponsible exploitation of the land. This objective might be accomplished by the establishment of some form of land authority, responsible to the people's democratic representatives, who shall exercise reasonable control over the registration and transfer of titles to land and property.

Land is the most precious material heritage of the Canadian people. In the past it has been exploited for the benefit of the few while the many have suffered from an artificial scarcity of the products it offers in unlimited abundance. This is the time to so arrange the internal economy of Canada that in the years which follow victory, Canada's wealth of natural resources may provide all her citizens with security in freedom.

* * *

INTERNATIONAL RELATIONS

Never in the history of mankind did the people of all countries desire peace more passionately than after the last "war to end all wars." Yet no sooner had the guns been silenced, the armies demobilized and war-weary nations turned enthusiastically to the task of creating a new world, than the people everywhere found themselves in the throes of bitter economic conflict. Primary producers, manufacturers, merchants and wage earners alike were caught in the grip of a savage struggle for existence against shrinking markets, falling wages, increasing unemployment and growing poverty. In the international field a fierce economic war for foreign markets developed.

In reality, there has been no complete peace in the world because of human greed. Nations have staggered from military war to economic strife, and from crisis to revolution, being carried along helplessly in a turmoil of increasing intensity. Yet never has the world been better equipped to produce abundantly and to provide the economic security which would have laid strong foundations for universal peace and harmony.

Looking back on our past experience, it is now plain that the "poverty amidst plenty," leading to economic strife and discontent during the years which preceded this war, can be attributed to the very simple fact that the people never did have enough purchasing power to buy the goods they produced. A moment's reflection will indicate the far-reaching effects of this hidden factor in our economy.

Because the people could not buy all the goods coming on the market, retail merchants found their stocks remaining on their shelves and competed furiously to get their share of the limited sales. As goods accumulated in the stores, so orders to industry declined. Manufacturers and producers found their markets shrinking and each tried to sell his products at the expense of his competitor by reducing costs and thereby forcing down prices. Faced with inadequate home markets, manufacturers were forced to curtail production, thereby increasing unemployment, which in turn reduced purchasing power, still further aggravating the situation.

As an alternative to selling their goods in the home market, these harassed manufacturers turned to foreign markets. But other countries were in the same plight and they resented their home markets being invaded by the exports of foreign nations to compete with their own products. Therefore they imposed tariffs and embargoes to keep out these goods, and did their utmost to increase their own exports. Thus bitter international economic war developed with increasing fury.

This condition of intense internal economic strife and this growing international struggle for markets lie at the root of all revolution and war.

Therefore, after this war the only basis upon which future world peace can truly be established is that each country shall put its own house in order by removing this basic economic insufficiency. Peace and contentment should be the desire of all people, and may be attained through the implementation of the principles outlined in the resolution which follows:

RESOLUTION No. 12

International Relations

WHEREAS the future peace and security of all the peoples of all countries depends upon the removal of the conditions leading to war; and

WHEREAS the most potent provocations to all modern wars are the economic insecurity of the people, on the one hand, and the struggle for foreign markets, on the other, both inherent in the present economic system and resulting in perpetual strife within nations and between nations; and

WHEREAS history is rich with examples of the aggressive tendencies of any centralized authority having control over powerful armed forces to impose its dictates on its own people or on other nations in order to consolidate and extend its power, and these conditions lead inevitably to revolution and war; and

WHEREAS the history of the British Commonwealth of Nations provides a practical demonstration of the strong bonds of unity and co-operation which can be forged under the traditional British policy of de-centralization of sovereign authority, as well as an example of the disastrous consequences when such a policy is abandoned:

THEREFORE, BE IT RESOLVED that, as an integral part of national post-war reconstruction, Canada shall adopt the following policy in her relations with other nations:

1. Demonstrate to the countries of the world that by organizing the national economy to provide economic security and democratic freedom for her citizens, contentment and toleration will result, and that under such a functioning democracy human covetousness will be greatly decreased. Before the world can be re-ordered, each country must set its own house in order.

2. Encourage trade with other countries on a reciprocal and mutually acceptable basis, avoiding cut-throat competition for foreign markets resulting in bitter commercial rivalry.

3. Exercise and maintain unimpaired, as a member of the British Commonwealth, her sovereign authority to order her own affairs in accordance with the will of her people.

4. Maintain her armed forces at a strength adequate for national defence under the sovereign control of the people of Canada and in no circumstances surrender such control to any external authority.

5. Recognize the sovereign integrity of all other nations and exercise scrupulous care not to interfere in the internal affairs of any other country.

6. Abolish all unnecessary barriers to trade and to travel.

7. Make available to nations whose domestic needs require them, on reasonable and mutually agreeable conditions, the raw materials of which Canada has an abundance.

8. Strive consistently with other nations for the establishment of goodwill among the peoples of the world.

Free individuals and free nations are the best guarantee of world peace.

By demonstrating that security and freedom can go hand in hand in an economy which would enable the people to enjoy a proper standard of living from the wealth they produce, Canada can make the greatest contribution to the cause of world peace.

A scientific internal economy, in which the people have sufficient purchasing power to buy the goods on the market, will enable Canada to exchange freely her surplus products for the goods she requires from other countries. There will no longer be any need to strive for a surplus of exports over imports because of a chronic shortage of internal purchasing power. It is this struggle for a so-called "favourable balance of trade" by all nations—which it is manifestly impossible for all to attain—that leads to bitter economic war between countries, resulting in the imposition of tariffs and embargoes.

The removal of artificial trade barriers, arising from the operation of the present faulty monetary system, will develop among nations the spirit of "live and let live."

* * *

FOREIGN TRADE

In the past, foreign trade has occupied a dominating place in national affairs. Exports, tariffs and exchange rates have been the main consideration of governments faced with the harassing situation of a restricted home market due to a shortage of purchasing power, and aggravated by increasing unemployment. The only solution they could see was to stimulate production by increasing exports and keeping out the exports of other countries. By this means they hoped to increase internal purchasing

power without increasing the volume of goods for sale in the home market, and at the same time stimulate employment.

The absurdity of this theory was apparently overlooked. Not only did this policy of always maintaining a surplus of exports over imports involve giving away a volume of goods needed by the people at home, but as every country was pursuing the same policy, and it was plainly impossible for them all to export more than they imported, it led to a bitter struggle for foreign markets.

The obvious solution of the problem, namely, to make the necessary adjustment in the internal monetary system to ensure that adequate purchasing power was distributed, has never been adopted.

Then again the whole field of international trade was rendered more difficult by the manipulation of exchanges by a small group of international discount houses. By their control over exchange transactions, these international bankers acquired tremendous power, being able to bring pressure to bear on governments by their actions.

Another evil feature of trade relations between countries has been the so-called gold standard. Under its requirements countries limited their monetary supply to the quantity of gold which they had on deposit. This automatically limited the volume of money and, thereby, restricted production. Moreover, it placed the entire national economy at the mercy of the small group of international bankers who controlled the bulk of the world's gold supply. By transferring gold from one country to another, they could create booms and depressions to order, and having a fore-knowledge of such events they were able to buy stocks when markets had slumped and sell them when markets were booming. The possibilities of such a system for gaining control of industry and commerce require no elaboration.

It is essential that the foregoing features of the old system under which foreign trade was conducted should be eliminated in the post-war period. The policy outlined in the resolution which follows would provide a sound basis for Canada's foreign trade relations.

RESOLUTION No. 13

Foreign Trade

WHEREAS the peace-time struggle for foreign markets is a basic cause of international strife and is the disastrous outcome of manufacturers and producers being unable to sell their products in the home market due to the chronic shortage of purchasing power generated by the present system; and

WHEREAS this condition is intensified by the instability of manipulated international exchanges; and

WHEREAS the evil results of the so-called gold standard as an instrument of control over both internal economies and international trade have been amply demonstrated:

THEREFORE, BE IT RESOLVED that our trading relations with other countries shall be based upon the reciprocal and mutually agreeable exchange of surplus goods and services under the following financial arrangements:

1. The complete abandonment of the so-called gold standard or any gold basis for the control of the national economy.

2. The home market to be provided with purchasing power sufficient to buy the goods for sale at economic prices.

3. The exchange rate of the Canadian dollar with any other unit of currency to be established (if possible, by mutual arrangement) on the basis of the internal dollar price level in Canada as compared with the corresponding price level in the other country.

4. The control of all foreign credits and monetary balances, including the transfer of credits in Canada's favour from one country to another, shall be exercised by a federal monetary authority responsible to Parliament.

5. The gambling in exchanges to be rigidly prohibited.

When the present world conflict is ended and the men of our fighting forces return, only a part of the great task confronting mankind will have been completed. The internal peace and prosperity of Canada will then be governed by the efficiency with which we organize our internal economy.

Our harmonious relationship to the rest of the world will depend on the manner in which we carry on trade with them. Foreign trade must therefore be organized in a manner that is mutually beneficial to all concerned.

While it will be desirable that the exchange rate of the Canadian dollar with other currencies should be

established by mutual agreement on the basis of the relative price levels, at the outset it may not be possible to obtain such general agreement owing to the opposition of the powerful private vested interests which control the international exchanges at the present time. However, this would not present an insuperable obstacle.

For example, the government monetary authority would determine the exchange rate of the Canadian dollar in relation to the currencies of other countries on the foregoing basis. An exporter would be authorized to sell his goods in terms of the other country's currency on this basis, and he would receive payment for these through his bank. The foreign credit would be taken over by the government monetary authority and would be used to pay for imports from, or to meet any other obligations to, the country in question.

Similarly an importer would buy in terms of the other country's money. He would settle in Canadian money with his bank in accordance with the exchange rates recognized by the government, and the government would arrange payment to the foreign creditor.

For this purpose it is essential that the government's monetary authority shall have control of all foreign credits, and that gambling on the exchanges or any manipulation of exchange rates should be prohibited.

* * *

IMMIGRATION

The heartless policies of the past that encouraged thousands of people from other lands to migrate to Canada and become a burden on those who were still struggling to eke out an existence under pioneer conditions, must not be repeated in post-war Canada. Neither should we permit a repetition of the ghastly tragedy of placing settlers on land which is known to be unsuitable for agricultural development.

In justice to the immigrant and to Canadians who are not yet economically secure in their own country, the post-war immigration policy should not permit large

scale immigration to begin until Canada has established an economy that can provide adequately for her own people. Moreover immigration should be geared to the rate at which the expanding economy can absorb those entering the country as settlers.

Such a policy, combined with the maintenance of proper qualifications for immigrants, will ensure that new settlers will have the opportunities to which they are entitled so as to become real assets to the land of their adoption.

RESOLUTION No. 14

Immigration

WHEREAS the indiscriminate policy of encouraging persons to enter Canada as settlers, irrespective of their circumstances or other qualifications, and of placing these persons on land unsuitable for development, has proved disastrous to the welfare of Canada in the past; and

WHEREAS, after war, the development of Canada's vast resources under a democratic reconstructed economy will provide attractive opportunities for migration if properly organized; and

WHEREAS an unrestricted influx of immigrants from war-torn Europe might cause a serious dislocation of post-war development and accentuate the problems inherited from past mistakes, unless adequate supervision is exercised in regard to the numbers, types and qualifications of those desiring to enter country as settlers; and

WHEREAS it is essential to the welfare of the nation that the highest standard possible should be maintained in the choice of immigrants who are to become citizens of this country:

THEREFORE, BE IT RESOLVED that immediate steps be taken by the Federal Government to call a joint conference with the Provincial Governments for the purpose of agreeing upon and laying down a definite policy of immigration in connection with which full consideration shall be given to the following points:

1. That a proper standard of physical, moral and mental health be required before any person is admitted to the country as a settler.

2. That a suitable period of probation be provided in order that an immigrant can get acquainted with our customs, learn to speak the national language and qualify to take his place in the life of the country before being granted the rights and assuming the responsibilities of citizenship.

3. That full responsibility for the economic stability of all settlers shall be assumed by the Federal Government for a period of ten years after their naturalization.

4. That each Province be given a voice in the location of all settlers within its boundaries.

5. That the maintenance of a proper standard of living be assured for Canada's present population before allowing an influx of immigrants who have no assets or visible means of support.

As the Provinces have to assume the responsibility of providing education, health and other social services for settlers within their boundaries, besides being responsible for the development of the natural resources, they should have a voice in the framing of a national immigration policy. This should be done **now** so that there is a clear understanding on this vital question when the war ends.

The foregoing resolution provides the basis for a national immigration policy that will make for an orderly settlement of desirable people from other parts of the British Commonwealth and from foreign countries. It will ensure that immigrants who enter a Canada which is so secure and free that it would provide a substantial basis for winning their loyalty and industry from the outset.

Thus will Canada grow in wealth, strength and truly democratic nationhood.

* * *

CONSTITUTIONAL ISSUES

History in Brief Prior to Westminster Statute

Representative Government—1840—Originally Canada consisted of a number of separate Crown Colonies entirely under the administration of the Imperial Government with a Governor General and his appointed Council over each colony. Under the Act of Union, 1840, Upper and Lower Canada (Ontario and Quebec) were permitted to elect their Legislative Assembly and thus obtained representative government.

Responsible Government—In 1867 the B.N.A. Act, another Imperial Statute, united the four colonies of Ontario, Quebec, New Brunswick and Nova Scotia into a

Dominion and, among other things, provided for an elected Legislative Assembly in each province and the House of Commons as the central government. The Executive Council (Cabinet) of each was made responsible for the respective elected bodies, and Canada thus gained responsible government. Provision was made for the inclusion of other territorial districts of Canada and these entered the union as follows: Manitoba in 1870; British Columbia in 1871; Prince Edward Island in 1873; and Alberta and Saskatchewan in 1905.

Canada Still Remained a Colony—The "Fathers of Confederation" had intended that the B.N.A. Act should grant full sovereignty to Canada, and the Quebec Resolutions agreed to by representatives of the provinces in 1864 were formed on this basis. But, because of pending negotiations between the British and American governments with respect to unsettled disputes concerning Canada (finally negotiated in the Treaty of Washington, 1871), the Imperial Government, at that time, was not prepared to fulfil the dreams of John A. Macdonald. Contrary to what has been generally accepted until recent years, the B.N.A. Act deviated from the Quebec Resolutions. The Imperial Government continued to appoint the Governor General and provide him with "Letters Patent" for his guidance. The confusing situation was clarified from a legal point of view by the Imperial Parliament with the Interpretation Act, 1889, which states: "The expression 'Colony' shall mean any of Her Majesty's Dominions, exclusive of the British Isles and of British India; and where parts of such Dominions are under both a central legislature and local legislatures all parts under the central legislature shall, for the purpose of this definition be deemed to be 'one colony'." Thus, the B.N.A. Act left Canada with mere colonial status.

Sovereignty Granted by Westminster Statute:

The Statute of Westminster (December 11, 1931) has changed our status to that of a sovereign nation and states in part, "Notwithstanding anything in the Interpretations Act, 1889, the expression 'Colony' shall not in any Act of the United Kingdom passed after the com-

mencement of this Act include a Dominion or any Province or States forming part of a Dominion." Each of the Dominions now has equality with Great Britain. Since 1931 the Imperial Government has discontinued issuing "Letters Patent" to the Governor General of Canada. The Statute makes it clear that the Dominion Parliament or Provincial Legislatures can now pass any law, even if it be contrary to a British Statute.

In 1914 Britain's declaration of war included Canada, but did not at the outbreak of war in 1939. Today the terms "Kingdom of Canada" and the "King of Canada" are quite in order. But the sovereign nations of the British Commonwealth of Nations have retained their family relationship through retaining a common Sovereign and a Common Crown. The Crown is the symbol for investment of sovereignty with the King's people—since 1931, with the sovereign people of the Provinces of Canada.

Now Our Sovereign Right to Create a Constitution.

We have been a sovereign people with complete autonomy since 1931 but have never created our constitution as has Australia, South Africa and the Irish Free State. They have constructed their own constitutions and final drafts were submitted directly to the people for ratification before being instituted. The B.N.A. Act, a statute of the Imperial Parliament, set up our present machinery of government, and is to be effective until we draft and adopt a constitution of our own. This should have been done long ago, and it is a task which should be accomplished immediately following the present military conflict.

All authorities, familiar with the true facts concerning our constitutional position, agree that the first step would be to call together representatives of the nine provinces. There should then be mutual agreement on the matters which the provinces deem it best to have administrated by their central government, and the remainder reserved for provincial or local administration. Any other approach to the problem would prove unsatisfactory and lead to serious disunity. All political machinery for determination of policies and the adminis-

trative machinery for carrying out those policies should readily lend itself to the attainment of effective democratic government by the people of our nation. Portions of the present arrangements should be retained or added to and that which is obsolete or detrimental to a functioning democracy should be discarded. Ample provision should be made for effecting amendments to meet changing conditions or unforeseen needs.

When the final draft has been endorsed by the people, it should be signed by the representatives of the provinces and general elections called immediately in accordance with the ratified constitution.

RESOLUTION No. 15

Constitutional Issues

WHEREAS the Statute of Westminster, in granting complete sovereignty and equality with Great Britain to Canada and other nations of the British Commonwealth, has changed the relative positions of the Provincial and Federal Governments as provided in the B.N.A. Act; and

WHEREAS it is desirable and expedient in the interests of national unity that an interprovincial conference of appropriate representatives of the Canadian Provinces be held for the purpose of reviewing and adjusting the constitutional relationship as between the provinces and their central government with a view to providing effective democratic government in Canada:

THEREFORE BE IT RESOLVED that without in any way prejudicing or jeopardizing the rights and privileges of any minority group in Canada, a comprehensive conference of representatives of the Provinces be held for the purpose of considering:

1. The existing legislative and administrative organization in the Provincial and Federal spheres.

2. A more expedient allocation of powers as between the Provincial and Federal authorities.

3. Ways and means of facilitating the drafting, the adoption and the implementation of a Canadian Constitution in keeping with the rights granted in the Statute of Westminster.

Grave doubts have been expressed as to whether Canada has or has not a proper constitution. None will deny the need of a Canadian Constitution that can meet the needs of a modern nation, for there is a vast difference between the Canada of today and the collection of British Colonies that existed in this land seventy-five years ago. Certainly the constitution has been singled out in recent years as the stumbling block preventing many desperately needed reforms to relieve the distress of thousands of people during the past years of economic crisis.

War is a painful stimulent and has brought home to us the need of a drastic change of the social and economic order. No constitution, real or imaginary, should be allowed to prevent the correction of evils that cause human hardship and suffering. The advent of a reformed economy will be accompanied by a succession of far-reaching changes. Many of the old ideas which grew in arid soil of economic superstition will have to be scrapped. The transition from the old to the new will involve many adjustments from time to time. A Canadian Constitution must, therefore, be drafted that will readily respond to unforeseen developments.

The centralizing of authority in the past has always led to the establishment of cumbersome and tyrannical bureaucracies, as well as regimentation, red-tape and injustice. When this principle is adopted in full we have the totalitarian state in its most intolerable form. The new Canadian Constitution must therefore be based upon democratic principles and provide for the greatest possible decentralization of administrative authority. Such a constitution would be highly responsive to the will of the people at all times adding greatly to the liberty and contentment of the individual and the unity of the nation.

PART III

Negative Resolutions

NATIONAL SOCIALISM

The last World War was fought "to make the world safe for Democracy," yet never in living memory has Democracy been in greater peril than it has been since 1918. In one country after another there arose a social system known as totalitarianism, which was the opposite of the democratic concept.

The basis of democracy, or "government in accordance with the will of the people" is that the State and all its institutions exist to serve its individual citizens, that the people are the constitutionally supreme authority and that the nation should be organized to give the people the results they want in terms of security and freedom.

The basis of all totalitarianism is that the State is supreme and its individual citizens exist to serve the institutions of the State, that the people must submit to bureaucracy and regimentation at the hands of those in control of the State, and that the people are mere pawns in the hands of the ruling group whose authority is supreme.

The clash between these two opposing concepts of social life is the focus of the present world conflict. The rise of National Socialism—Nazi-ism—in Germany led to the obliteration of the democratic constitution of that country and the subjugation of the German people to a ruthless State-dominated dictatorship. Like all dictatorships, Nazi-ism resulted in the organization of the entire country for the glorification of "the State" and its domination of other countries. The background of Junker militarism made this task the easier for those in control.

The threat of totalitarianism, centred in the National Socialism of Germany, was made more acute by the failure everywhere of democratic system to provide "government in accordance with the will of the people."

Widespread poverty, general insecurity, harsh taxation, pyramiding debts, restricted production and increasing government bureaucracy were certainly not the results the people wanted from the management of their affairs. In short, all democratic systems were yielding government in defiance of the will of the people—and the totalitarian dictators were only too eager to point this out in their efforts to discredit democratic governments and destroy morale.

Thus we find that before the war the trend in democratic countries was away from democracy and towards totalitarianism. Harsh economic conditions were imposed upon the people, and they were forced to submit to the manipulations of powerful vested interests, consisting mainly of the financial powers.

With the outbreak of war the weaknesses of the financial, economic and political systems in the democratic countries were not changed. In order to meet the demands of total war forced upon them by the totalitarian countries, and at the same time to overcome the defects of the pre-war system, the democratic countries, including Canada, moved rapidly towards totalitarianism. State bureaucracies grew to enormous dimensions, increased regimentation was introduced step by step, and the citizen was subordinated more and more to the dictates of State authorities.

The menace of the situation is that in fighting the evil of the National Socialism of Germany, Canada and the other countries of the British Commonwealth may find themselves in the grip of a State-dominated system, indistinguishable from Nazi-ism, of their own making. That there is a very determined effort being made by powerful forces to bring about this disastrous condition is evident from the open advocacy from many quarters that, instead of a reconstructed democratic order after the war, we must expect more government control, more bureaucratic regimentation and all the other odious features of State Socialism which has created such havoc in Europe.

NEGATIVE RESOLUTION No. 1

National Socialism

WHEREAS Canada in partnership with the other nations of the British Commonwealth is fighting for the preservation of its democratic institutions against the threat of national socialist domination; and

WHEREAS the menace of state socialism lies in the evil principles of its Supreme State doctrines, irrespective of the labels, often harmless sounding, under which it masquerades; and

WHEREAS in a democracy the state and all its institutions should exist to serve the people in obtaining the results they want from the management of their affairs, in contrast to the state socialist concept that the people exist to serve and submit to the dictates of a supreme state authority and its institutions:

THEREFORE, BE IT RESOLVED that we oppose as anti-democratic, the national socialist policies being advocated and adopted (under cover of a professed adherence to democratic principles) for increasing the arbitrary power of a vast government bureaucracy to dominate and regiment the people, thereby crushing initiative, destroying free enterprize and robbing the individual citizen of his rightful liberties and privileges under our democratic constitution.

AND BE IT FURTHER RESOLVED that the people be aroused to the peril of this trend towards a totalitarian national socialist state before it becomes entrenched as the basis of the post-war order and we find, too late, that while fighting German national socialism overseas we have become enmeshed in its destructive toils at home under cover of some other label.

Experience has taught us that what is instituted in time of war is usually maintained when peace returns. It is, therefore, the duty of every citizen of this country to use his democratic sovereign rights to maintain the principles of democracy, and to further them, while at the same time denouncing all traces in our midst of National Socialist doctrine. Otherwise, what shall we say to our victorious soldiers upon their return, who, after having defeated the Totalitarian powers, find out that in their absence, we allowed that philosophy to become a part of our way of life?

* * *

COMPULSORY INSURANCE SCHEMES

All compulsory state insurance schemes are based on the assumption that it is both necessary and proper to set aside portions of present inadequate incomes to provide for future periods of unemployment, or for loss of earnings due to any other cause.

Such schemes, however, decrease the aggregate earnings of wage earners. In other words, they merely redistribute a portion of the current national income as reckoned in dollars and cents. The result is an equalizing of poverty and a widening of the gap between the buying power of the wage earner and the total price of the goods on the shelves.

For many years past, our productive capacity has been far in excess of the people's available purchasing power for consumption. Since we are now able to produce an abundance of every manner of goods, and there is every reason to believe that we can continue to do so to an even greater extent, there is no object in saving money for the future. Such savings merely deprive the individual of the present enjoyment of goods and indirectly cause so-called over-production. Practical security measures should make it possible for all people, whether they are earning wages or not, to purchase a share of the vast quantities of goods they have produced and can continue to produce indefinitely.

Compulsion and regimentation are repulsive to democratic, freedom-loving people and apart from all other considerations any insurance scheme on such terms would prove intolerable to the people of Canada. Much more effective means, free from compulsion and regimentation, can be devised to provide security in unemployment, ill-health and old age. The resolution which follows is the democratic alternative to Compulsory Insurance Schemes.

NEGATIVE RESOLUTION No. 2

Compulsory Insurance Schemes

WHEREAS the majority of Compulsory and Contributory State Insurance schemes purport to provide social benefits by means of dividing the costs between Employees, Employers and the State; and

WHEREAS such schemes must, therefore, result in a decrease in the Employees' Income, and an increase in the cost of the Employers' goods or services; and

WHEREAS the State's portion under the present financial system is obtained by taxes levied upon both the Employees and Employers; and

WHEREAS under these circumstances such Compulsory and Contributory State Insurance schemes reduce the standard of living of workers and provide nothing more than a re-distribution of existing insufficient purchasing power which, in peace time, is responsible for the majority of the social and economic difficulties that these Compulsory State Insurance schemes seek to alleviate; and

WHEREAS the only sound and scientific method of solving any social or economic problem is to remove its cause:

THEREFORE, BE IT RESOLVED that in the establishment of a sound post-war economy, Compulsory State Insurance schemes should be replaced by:

1. A comprehensive system of non-contributory social dividends which will provide individual citizens with family allowances, retirement pensions and basic incomes sufficient to assure them economic security, with freedom, in sickness, disability or unemployment.

2. Adequate monetary facilities to finance the reconstruction of the national economy and the development of available resources, thereby providing maximum opportunities for all to apply their initiative and enterprise in all spheres of endeavour.

3. The distribution of sufficient purchasing power to enable the people to buy the available goods and services at just prices.

No scheme of insurance can provide security for all in a land that has an insufficiency of real wealth in the form of food, clothing, shelter and other necessities of life. The only true assurance of security a nation has, is its ability to produce goods. If Canada's present pro-

duction is maintained or developed further in the post-war period, all her citizens must be granted security without sacrificing individual freedom. There remains but to make the necessary monetary arrangements that will distribute the abundance fairly to all citizens regardless of whether or not they are able to work.

* * *

"UNION NOW" AND OTHER PROPOSALS FOR A FEDERATION OF NATIONS

We are fighting this war for the preservation of democracy against the threat of totalitarian domination as represented by Nazi-ism.

Democracy is government in accordance with the will of the people to give them the results they want. Therefore in a democracy the people must be the supreme authority; they must be **sovereign.** Sovereignty is the basis of democracy.

The British Crown, personified in His Majesty the King, is the symbol of the sovereignty of the British nations within the Commonwealth.

During the past century national sovereignty has been rendered increasingly inoperative by the centralized control over all monetary systems which has been exercised by a group of international banking houses almost exclusively Germanic in origin. Control of money carries with it control over every aspect of economic activity under our complex money economy. To the extent that this control has passed to International Finance, democratic government has been rendered subservient to centralized financial domination. Financial dictatorship has been stealthily replacing democracy.

The ultimate goal of such a policy must be the destruction of democracy and the establishment of an open dictatorship, involving the surrender by the people of their constitutional democratic sovereignty to a central authority. The essential instruments of such sovereignty are citizenship rights, the monetary system and the armed forces.

In their plans for a New Order for Europe, the Nazis provided for the centralization of economic and military control under their domination and under a federation of nations. Thus their intention was to impose a virtual dictatorship on all countries.

It is significant the suggestions for a so-called "new order" which are emanating from certain quarters—such as Union Now and similar schemes for international federation—all involve the centralized control by an international authority of finance (money), the armed forces and citizenship rights. This would inevitably result in the destruction of national sovereignty, and, with it, of effective constitutional democracy. The British Empire as a Commonwealth of Free and Sovereign Nations would be a thing of the past and the British Crown would be rendered meaningless. Instead there would be established an international dictatorship organized on identical lines to the Nazi pattern of a New Order.

It is high time for the people of Canada to arouse themselves to the true nature of such treasonable and dangerous ideas.

It would be disastrous if the outcome of the present war for the preservation of democracy and the establishment of a properly functioning democratic system should be increased bureaucracy, increased debt, increased taxation and increased regimentation of the individual and all the features of totalitarian national or international socialism. Yet that is the direction in which the situation is developing.

Responsibility for dealing with this menace to their democratic rights rests with the people themselves, for that is a responsibility which is inseparable from the preservation of their constitutional authority as the electorate.

NEGATIVE RESOLUTION No. 3

"Union Now"

WHEREAS sovereignty of the people is the most precious heritage of this and every other British nation; and

WHEREAS democracy cannot exist without the effective sovereignty of the people; and

WHEREAS the British Crown is the heart and the symbol of the British Commonwealth of free and sovereign people; and

WHEREAS His Majesty's fighting forces exist to preserve the aforesaid essential sovereignty and democratic liberties of the British people and are engaged at present in war against the forces of enemy powers threatening those constitutional rights; and

WHEREAS in our modern economy control of money means control over every aspect of national life and is an essential sovereign power for the people to retain as the basis of their democratic authority; and

WHEREAS the closest possible understanding and co-operation between the British people and the people of the United States of America is vital to the future welfare of humanity; and

WHEREAS the scheme commonly known as "Union Now" proposes:

(a) That a federation of the British Empire, the U.S.A. and other democracies be consummated.

(b) That the nations entering into such a union set up an international authority in which would be centralized control over:

i. The armed forces of all the nations entering into the union.

ii. The financial system of the entire union; and

iii. The rights of citizenship of the nations entering into the union.

(c) That the nations involved would surrender their sovereignty over the aforesaid functions, thereby centralizing power in hands of the international authority by giving them absolute control over every aspect of national life through financial control and of citizenship rights, and by placing the armed forces and armaments under their control;

(d) That the entire British Empire shall have minority representation in the International Federal Legislature:

THEREFORE, BE IT RESOLVED that we condemn the open advocacy, particularly during this struggle for the preservation of democracy, of a scheme which would divest the people of Canada of all essential sovereign authority, destroy effective democratic government, submerge the British Empire in a conglomeration of countries dominated by an international totalitarian authority, render the British Crown meaningless and sweep away everything for which the British people are fighting at the present time.

Investigation of the source of "Union Now" proposals reveals the curious fact that they emanate from quarters closely linked with International Finance. This sinister power evidently favours depriving the people of their sovereign rights and hopes to create a vast Financial Dictatorship which will consolidate their power over the lives and destinies of freedom-loving people. The original "Union Now" proposals did not meet with favour among thinking people, but the plan has by no means been abandoned. On the contrary, the various channels of propaganda are being used to a still greater extent for the purpose of injecting the same poisonous proposals into the minds of the people, though new disguises and new labels are being used to deceive them.

The reconstructed democracy in the post-war Canada must be built on the cornerstone of the supreme authority of the people. Harmony among nations can only be brought about when every nation establishes its own scientific and publicly controlled money system, thus removing the cause of exploitation and aggression. Canada can set the example which may lead to world economic reform and the establishment of a properly functioning democracy.

PART IV

SYNOPSIS

The following is a summary of the more important proposals contained in the foregoing Resolutions. A comprehensive reform of the economy and the actual and potential wealth of Canada make the achievement of these results possible in the post-war period:

I. RESULTS THAT ARE WANTED.

For All Our Returned Men:

1. After demobilization **full pay,** subsistence and dependants' allowances, as for a private in the army, for a period of **not less** than three years; and thereafter—
2. **Adequate basic economic security** for their dependants.
3. **Disability pensions,** irrespective of any other income.
4. **Financial assistance,** including interest-free loans, for purposes of re-establishment.
5. **Free** health services.

In Agriculture:

1. Parity **prices.**
2. A long range **crop and live stock policy.**
3. Non-contributory **crop insurance.**
4. Low-cost **credit.**
5. A fair and equitable **settlement** of **farm debts.**
6. **Security** of land tenure.

Regarding Work and Wages:

1. **Adequate wage scales** combined with family allowances.
2. **An adequate basic income** providing security in unemployment, sickness, disability and old age.
3. **Hours of work** progressively shortened, the period of education lengthened and the retirement age lowered as the progress of science reduces the need for human labour.
4. The right to **collective bargaining** established by law.

National Health:

1. The **abolition of poverty,** a major cause of ill-health.
2. A **non-contributory** system of national health services, **accessible to all** regardless of ability to pay.
3. **Adequate grants for hospitals, preventative and curative services and research.**

Education:

1. Every child to have access to the **highest possible standard of education.**
2. The promotion of **adult education.**
3. **Adequate grants for education.**
4. The **teaching profession** to be raised by making it a privileged career enjoying special opportunities for persons of outstanding qualifications.

Regarding Debt:

1. All **public debts** to be systematically liquidated.
2. The equitable re-adjustment of the entire **private debt** structure to the end that debts may be rapidly liquidated.

Constitutional Issues:

A Dominion-Provincial Conference to discuss outstanding constitutional problems.

Natural Resources:

1. The development of our natural resources for the benefit of **all** the people.
2. **Protection from monopoly control** and restricted development of natural resources by powerful vested interests.

II. RESULTS THAT ARE NOT WANTED.

From certain quarters comes the suggestion that the following results should be imposed on the people of Canada. Some have already been implemented in a measure but **they are to be condemned** as economically unsound and diametrically opposed to the principles of true democracy:

1. The establishment of a National Socialist order being advocated under cover of various labels.
2. The adoption of "Union Now" or similar proposals, which entail the surrender of essential national sovereignty to some external authority.
3. The extension of compulsory and contributory insurance schemes that merely redistribute poverty, and lead to bureaucracy, regimentation and the further curtailmen of individual liberty.

Enquiries should be addressed to:

THE BUREAU OF INFORMATION
Legislative Building
EDMONTON, ALBERTA

Additional copies of this publication may be obtained for 10 cents a copy or 12 for $1.00 post-paid.

"It must be realized that, unless we use our brains and make proper plans, all the evils that followed the last war will return, immensely enlarged, after this one. For this war will increase the tempo of production even more than the last one did, and we have only to allow ourselves to be humbugged again by 'sound orthodox finance' and those 'well-tried Conservative principles' to find ourselves in a nightmare of unemployment, dwindling trade, poverty amid plenty. Already we are being warned about how poor we are going to be. We were told all that after the last war, when actually the world was richer, in all the essentials—skilled labour, cultivated land, raw materials—and the equipment of production—than it had ever been before.

"Who was it then who insisted that we were all so much poorer? The representatives of the financial system, which instead of being a kind of book-keeping and claim-adjusting process had turned into the super-industry, dominating all other industries, cramping all men's activities.

"Why has it not been generally realized that money is a servant and not our master? Why wasn't the financial system scrapped, like its contemporaries the wooden warship or the stage-coach? Because too many influential persons, in a position to sway government and control public opinion, were directly interested in keeping the rotten old thing going; and unless this supreme racket is smashed, we shall be plunged again into the same whirlpool of over-production, under-consumption, crazy competition, poverty and unemployment, revolution and war."

—*"Out of the People,"* by J. B. PRIESTLEY.

A book which should be read by everyone.

LEGISLATURE LIBRARY
OCT 14 2015
EDMONTON